

THE HENRY FORD:
SUSTAINING HENRY FORD'S PHILANTHROPIC LEGACY

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The Journey Home

Authors and scholars describe the process of writing through countless metaphors. In my case, it has certainly been a long and demanding journey, with plenty of twists and turns to keep it interesting. Under my current circumstances (caught in an indefinite grounding of all planes in the region), I find this to be an opportune moment to thank all of those individuals and organizations responsible for the success of this project. Following this series of research trips in Indiana, Michigan, and New York, I find myself exceptionally indebted to many people who have offered their encouragement, insights, feedback, and resources throughout this journey.

Over the last five years, I have spent a significant amount of time and effort developing scholarship on the philanthropy of Henry Ford and, in particular, his efforts building the Edison Institute (most recently known as The Henry Ford). Throughout this experience, I have discovered how the Ford family's philanthropic activity significantly differed from that of comparable American families who built companies, foundations, and museums throughout the twentieth century.

Prior to this very long day spent in terminals, on tarmacs, and watching thunderstorms from inside planes, I have had the pleasure of working with Lucas Buresch and the other staff of the Rockefeller Archive Center (Sleepy Hollow, New York), who facilitated my experience working with the Ford Foundation collection, Rockefeller family correspondence, and related Colonial Williamsburg papers. These records functioned as the last puzzle piece in the story of the Edison Institute's survival throughout the twentieth century.

I would be remiss, however, to allow this recent experience to overshadow the incredible work of the Benson Ford Research Center staff at The Henry Ford in Dearborn, Michigan. Since my earliest research efforts, they have gone above and beyond in assisting me with my projects. One of my undergraduate professors once stated that historians are only as good as the archivists

with whom they work. I have to enthusiastically agree. The Henry Ford's staff, including Linda Skolarus, Kathy Steiner, Terry Hoover, Stephanie Lucas, Rebecca Bizonet, and countless others, have collaborated to open collections, interpret illegible finding aids, search through unprocessed collections, and offer valuable insights into the Institute's history. As part of this project, I look forward to finally sharing my findings with the staff and volunteers, so that the Edison Institute's philanthropic history may be known in its place of origin.

While The Henry Ford staff may have the most direct connection to the story of the organization's own survival, other institutions also share a significant component of its history. I would like to thank Bob Kreipke, Brad Simmons, and Jim Vella of the Ford Motor Company and Ford Motor Company Fund for their interest in and encouragement of this project. The corporate staff's enthusiastic response to this dissertation opened doors to otherwise inaccessible historical evidence. Additionally, they have reaffirmed my conclusions about the company's philanthropy, drawn solely from primary sources, and encouraged my research into previously unexamined aspects of the corporation's history.

I would also like to thank the faculty, staff, and students of the Indiana University Lilly Family School of Philanthropy at IUPUI. They have served as my mentors, colleagues, and students throughout my graduate career, encouraging me during my academic and research experience. Additionally, I greatly appreciate the generous financial support of the IU Lilly Family School of Philanthropy, Tobias Center for Leadership Excellence, and the IU Graduate School. Special thanks to my dissertation committee for their ongoing mentorship of this project. Drs. Gregory Witkowski, Dwight Burlingame, Michael Moody, and Philip Scarpino have each contributed to the unique direction of this work, collaborating across departments and universities to assist me in the development of this dissertation. Their varied areas of expertise have significantly impacted my career as a scholar and practitioner, and I greatly appreciate their ongoing efforts.

After a long journey, such as writing a dissertation or traveling through countless airports, one begins to long for home and the normalcy that it brings. For this reason, I dedicate this work to my family, new and old. They have taught me the true meaning of philanthropy in its every form and the integral role of families within it. Their willingness to keep me motivated (and fed) on long research trips, endless writing days, relentless editing sessions, and the many existential crises inherent to Ph.D. students cannot be overvalued. To James, Poppy, Mum, Crystal, and David: I could not have completed this journey without each and every one of you. I thank God each day for all of you and I look forward to our next adventure.

Brittany Lynn Kienker

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This dissertation argues that the Edison Institute (presently known as The Henry Ford in Dearborn, Michigan) survived internal and external challenges through the evolution of the Ford family's leadership and the organization's funding strategy. Following Henry Ford's death, the museum complex relied upon the Ford Foundation and the Ford Motor Company Fund as its sole means of philanthropic support. These foundations granted the Edison Institute a significant endowment, which it used to sustain its facilities in conjunction with its inaugural fundraising program. Navigating a changing legal, corporate, and philanthropic landscape in Detroit and around the world, the Ford family perpetuated Henry Ford's legacy at the Edison Institute with the valuable guidance of executives and staff of their corporation, foundation, and philanthropies. Together they transitioned the Edison Institute into a sustainable and public nonprofit organization by overcoming threats related to the deaths of two generations of the Ford family, changes in the Edison Institute's administration and organizational structure, the reorganization of the Ford Foundation, the effects of the Tax Reform Act of 1969, and legal complications due to overlap between the Fords' corporate and philanthropic interests. The Ford family provided integral leadership for the development and evolution of the Edison Institute's funding strategy and its relationship to their other corporate and philanthropic enterprises. The Institute's management and funding can be best understood within the context of philanthropic developments of the Ford family during this period, including the formation of the Ford Foundation's funding and concurrent activity.

This dissertation focuses on the research question of how the Edison Institute survived the Ford family's evolving philanthropic strategy to seek a sustainable funding and management structure. The work examines its central research question over multiple chapters organized around the Ford family's changing leadership at the Edison Institute, the increase of professionalized managers, and the Ford's use of their corporation and philanthropies to provide integral support to the Edison Institute. In order to sustain the Edison Institute throughout the twentieth century, it adapted its operations to accommodate Henry Ford's founding legacy, its legal environment, and the evolving practice of philanthropy in the United States.

Gregory R. Witkowski, Ph.D., Chair

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CHAPTER ONE: INTRODUCTION

Introduction

On October 21, 1929, mere days before the stock market crash and beginning of the Great Depression, President Herbert Hoover and hundreds of the world's foremost politicians, industrialists, philanthropists, and media gathered in Dearborn, Michigan, to celebrate the anniversary of Thomas Edison's invention of the incandescent light bulb. During the festivities, Thomas Edison dedicated the Edison Institute, a museum and historical village created by Henry Ford around his collection of artifacts of architecture, industry, and American society. The crowd witnessed the illumination of the museum and village, beholding the vastness of Ford's philanthropic venture and his dedication to preserving his friend's Menlow Park research facility and other American sites within view of the Ford Motor Company.¹ In the decades following, Americans experienced significant economic depressions and recessions that challenged the limits of individuals' philanthropy and the charitable organizations that they created. Throughout the twentieth century, Henry Ford's Edison Institute continually sought to sustain itself, withstanding changes in leadership, legal environment, and philanthropy that threatened its survival at every turn.

The Edison Institute served as the philanthropic brainchild of Henry Ford, becoming the very first grant recipient of his Ford Foundation.² Through a combination of philanthropic mechanisms, Ford directly and indirectly supported the Institute, while avoiding the use of endowments. In 1927, he clearly rejected endowments, calling them "an opiate to imagination, a

¹ Geoffrey C. Upward, ed., *A Home for Our Heritage: The Building and Growth of Greenfield Village and Henry Ford Museum, 1929-1979* (Dearborn, MI: The Henry Ford Museum Press, 1979), 58-60, 63, 65-67, 70.

² Interoffice Memorandum regarding Greenleaf History Project No. 2 to Joseph M. McDaniel from Adie Suehsdorf, 16 January 1957, Related Correspondence and Materials, William Greenleaf, "The Ford Foundation: The Formative Years," 1957, Log File L57-1209, Reel L-43, Ford Foundation records, Rockefeller Archive Center, 1-2.

drug to initiative.... One of the greatest curses to the country today is the practice of endowing this and endowing that.”³ Henry Ford’s dislike of endowments was evident in the establishment of the Edison Institute, which would unintentionally become the case study for his views on organizational “self-reliance.”⁴ Without leaving the Edison Institute with a permanent and legal endowment of funds, Henry Ford set the organization on a journey without the essential resources that would have allowed it to control its own destiny. Furthermore, Ford’s style of leadership, views of philanthropy, and underestimation of future legal changes set the Institute on a path on which it continually sought to survive in spite of these circumstances.

The study of history provides a unique means to explore the story of the Edison Institute, offering the opportunity to examine change over time and the impact of contextual events on an organization. In studying the Institute’s survival and adaptation to both internal and external challenges, one sees how the organization’s history goes beyond the Ford family’s leadership and philanthropy, to reveal overarching issues of the evolving American legal regulations for the nonprofit sector and the professionalism of philanthropy and the museum field as a whole.

Analytical Framework

This case study examines the Edison Institute’s evolving management approach, based on its navigation of three primary crises. The first crisis involves the Institute’s movement away from Henry Ford’s founding leadership and toward an increasingly professionalized board and staff. As a result, the organization overcame Ford’s traditional views on leadership while determining the role of his legacy in their future strategy. In this case study, the movement toward professionalism involves staff who are trained and experienced in museums, oftentimes with graduate-level educations in a related field.

³ William Greenleaf, *From These Beginnings: The Early Philanthropies of Henry and Edsel Ford, 1911-1936* (Detroit, MI: Wayne State University Press, 1964), 5.

⁴ *Ibid.*, 6.

The second crisis marks significant changes in the practice of philanthropy. Henry Ford created the Edison Institute to depend on his personal giving. However, his philanthropy changed over time, with the creation of the Ford Foundation, which developed a broader agenda, and the involvement of later generations of the Ford family. Eventually, the Edison Institute contended with an increasingly professionalized form of fundraising and a movement away from the Ford family's philanthropic funding, consistent with the similar evolution of philanthropy nationally.

The third crisis examines the broader context in which the Edison Institute struggled to survive, specifically the changing legal environment of the nonprofit sector and philanthropic activity throughout the twentieth century. Conceived in the early decades of the century, the Edison Institute experienced rapid and significant modifications to the laws and regulations with which it contended on a daily basis. One could argue that the Institute and Ford Foundation, which funded it in the early years, were the products of their time, influenced by the legal basis on which the Ford family founded them. In later generations, the family's philanthropic institutions continued to face legal threats, based on evolving regulations of their activity, particularly through the Tax Reform Act of 1969. Altogether, these three crises underscore the importance of the Edison Institute case study through its exemplifying role in the evolution of American philanthropy.

This dissertation argues that the Edison Institute survived numerous transitions and external challenges through the evolution of the Ford family's leadership and the organization's funding strategy. Following Henry Ford's death, the museum complex relied upon the Ford Foundation and the Ford Motor Company Fund as its sole means of philanthropic support. These institutional funders granted the Edison Institute a significant endowment, which it used to sustain its facilities in conjunction with its inaugural fundraising program. Navigating a changing legal, corporate, and philanthropic landscape in Detroit and around the world, the Ford family perpetuated Henry Ford's legacy at the Edison Institute with the valuable guidance of executives and staff of their corporation, foundation, and philanthropies. Together they transitioned the

Edison Institute into a sustainable and public nonprofit organization by overcoming threats related to the deaths of two generations of the Ford family, changes in the Edison Institute's administration and organizational structure, the reorganization of the Ford Foundation, the effects of the Tax Reform Act of 1969, and legal complications due to overlap between the Fords' corporate and philanthropic interests.

The Ford family provided integral leadership for the development and evolution of the Edison Institute's funding strategy and its relationship to their other corporate and philanthropic enterprises. The Institute's management and funding can be best understood within the context of philanthropic developments of the Ford family during this period, including the formation of the Ford Foundation's funding and concurrent activity.

This dissertation focuses on the research question of how the Edison Institute survived the Ford family's evolving philanthropic strategy to seek a sustainable funding and management structure. Its central research question is examined over multiple chapters organized around the Ford family's changing leadership at the Edison Institute, the increase of professionalized managers, and the Ford's use of their corporation and philanthropies to provide integral support to the Edison Institute. In order to sustain the Edison Institute throughout the twentieth century, it adapted its operations to accommodate Henry Ford's founding legacy, its legal environment, and the evolving practice of philanthropy in the United States.

Chapter two argues that Henry Ford established the Edison Institute based on his own founding vision, creating an organization that directly depended upon his leadership, funding structure, and use of other Ford enterprises for its survival. The Edison Institute originated as a site for Henry Ford's personal collecting of American antiques and technology, as his collection outgrew his Fair Lane estate and a Ford Motor Company tractor warehouse.⁵ By 1926, Henry

⁵ Hayward S. Ablewhite Oral History Interview, 28 November 1962, Folder 3 - Ablewhite, Hayward S. – 1962–#3, Box 4–Hayward Ablewhite Reminiscences, 1940-1962, Accession #167- Oral Histories Memoirs Reminiscences, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900

Ford developed the concept of the Edison Institute to include both a museum of historical artifacts and an outdoor collection of historic structures (Greenfield Village).⁶ Henry Ford established the Edison Institute as a nonprofit organization in 1929, dedicated to “assemble and exhibit, publish and disseminate historical, scientific, sociological and artistic information and to...advance the cause of education, whether general, technical, sociological or aesthetic....”⁷ The museum complex stood as a philanthropic initiative solely managed and funded by Henry Ford.⁸ The Edison Institute most typified Henry Ford’s leadership and philanthropy, including his reliance on himself over other consultants and committee decision-making, while serving as the recipient of the most time, money, and care of any of his philanthropic ventures.⁹ Prior to the Ford family’s establishment of the Ford Foundation in 1936, Henry Ford personally contributed over \$10 million to the Edison Institute and \$23 million to construct its buildings and facilities.¹⁰ Clearly it was the philanthropic endeavor that most animated Henry Ford, who actively recruited Ford family members and colleagues from the Ford Motor Company to serve as board members for the Edison Institute and Ford Foundation.¹¹ Additionally, he used Ford Motor Company staff as integral personnel responsible for collecting, building, and organizing the early Edison Institute.¹² Without training in museums or nonprofit management, Henry Ford’s leadership of the Edison Institute depended upon his business management skills, private philanthropy, beliefs about education, and personal concept of what the Institute should be, tangentially related to the

Oakwood Blvd., Dearborn, Michigan 48124-5029, 6; and J.G. de Roulhac Hamilton, “The Ford Museum,” *The American Historical Review* 36, no. 4 (Jul 1931): 773-774.

⁶ James S. Wamsley, *American Ingenuity: Henry Ford Museum and Greenfield Village* (New York: Harry N. Abrams, Inc., 1985), 17.

⁷ Contributions to The Edison Institute, 1933-1950, Folder – Contributions, Box 1, Accession #117, Edison Institute Collection, Benson Ford Research Center, 1.

⁸ *Ibid.*; and Upward, *A Home for Our Heritage*, 77.

⁹ Greenleaf, *From These Beginnings*, 72, 110-111.

¹⁰ *Ibid.*, 107.

¹¹ Upward, *A Home for Our Heritage*, 96.

¹² Jeanine Head Miller and others, *Telling America’s Story: A History of the Henry Ford*, ed. Judith E. Endelman and Wendy Metros (Virginia Beach, VA: Donning Company Publishers, 2010), 23, 29.

development of comparable museums during that period. While many lauded the scale of Henry Ford's museum complex, others criticized his unprofessional museum methods.¹³

The third chapter reveals how the subsequent deaths of Clara, Edsel, and Henry Ford resulted in significant changes to the family's philanthropic strategy at the Edison Institute and Ford Foundation, as related to its transition away from Henry Ford's leadership and to the management style of a younger generation of Ford family members. From the Edison Institute's establishment in 1929, Henry Ford and his family privately supported the museum complex located adjacent to the Ford Motor Company property in Dearborn, Michigan. Henry, Clara, and Edsel Ford created the Ford Foundation in 1936, in part, to provide a mechanism to perpetuate their leadership and private support of the Edison Institute and their other Michigan-based philanthropies under the evolving federal tax law. Following Henry Ford's death, Clara took over the Edison Institute's management in keeping with Henry's original intent for its museum, village, and school system. The Ford Foundation continued its support of the museum complex until 1951, when Henry Ford's grandsons and the board of trustees elected to focus the Foundation's mission toward international causes and away from its Detroit and Michigan-based purposes. Without Henry Ford's leadership, both the Edison Institute and Ford Foundation developed formalized strategies, which depended on significant professionalized management processes. As a result, the Ford family's leadership became increasingly focused on board governance, rather than daily management of their philanthropic institutions.

The fourth chapter discusses how the Edison Institute's increasingly-professionalized staff assumed a significant role in stabilizing the organization, especially as it navigated increasingly unpredictable relationships with other Ford enterprises. As a result of significant advice from museum and educational professionals internationally, the Edison Institute pursued a more professionalized operational and funding strategy, with the hopes of becoming increasingly

¹³ Upward, *A Home for Our Heritage*, 77.

self-sustainable. Under the combined leadership of Henry Ford's grandsons, the Edison Institute turned to the Ford Motor Company Fund to fulfill some of the funding needs left over from the Ford Foundation's new grantmaking priorities. Similar to the philanthropy of the Foundation and Henry Ford himself, the Ford Motor Company Fund provided the Institute with funds to fulfill its annual operating loss. In addition, the Ford Motor Company supplied in-kind goods and services to the Edison Institute throughout this period, furthering the Institute's dependence on the Ford family's philanthropy and corporate enterprises in Dearborn.

Without Henry Ford's leadership and financial support, his museum complex faced drastic changes in management and funding. Between the 1940s and 1970s, the Edison Institute relied upon funding from the Ford family, the Ford Foundation, and the Ford Motor Company Fund at different periods before a large-enough endowment could be built and a modern fundraising campaign initiated. Throughout much of its history, the Edison Institute's administrators attempted to build an endowment to ensure the continued support of the museum complex. However, the Institute's ever-increasing operational costs required an equally-increasing endowment.

Chapter five details how the Edison Institute sought to sustain itself by diversifying its leadership and funding, in order to best navigate the requirements established under the Tax Reform Act of 1969. During the 1960s, emerging tax legislation targeting American foundations and nonprofit organizations threatened the Institute's funding strategy and governance structures, both of which depended on the Ford family. The Ford Foundation, the nation's largest foundation, became entangled in congressional hearings, while the Edison Institute's tax exemption status came under threat. In order to create a sufficient endowment and permit the independence of the Edison Institute under the Tax Reform Act of 1969, the Ford Foundation and Ford Motor Company Fund provided two \$20 million grants each over four years. By the mid-1970s, the Edison Institute established its first membership program and a formalized public fundraising campaign. With sufficient public donor support, the Edison Institute diversified its

funding and leadership strategy to mitigate its reliance on the Ford's philanthropy and becoming a private foundation.

Chapter six examines the recent professionalization of the Edison Institute over the past forty years, as it hired executives and staff who developed a sustainable funding model and formed the Institute's inaugural fundraising initiatives. Through the addition of increased emphasis on fundraising campaigns, including foundation and governmental grants, major gifts, annual fund appeals, and the Institute's inaugural capital campaigns, the organization sought to address its internal and external challenges and to develop a more comprehensive approach to its financial sustainability. New generations of leadership established a culture of professionalism within the Institute, revolutionizing the organization's approach to strategic planning and funding its master plan projects. Additionally, they moved the Institute away from its dependence on the Ford family's leadership, seeking new funding sources and diversifying its board to better meet the challenges of the twenty-first century.

Together, these chapters present an analysis of the Edison Institute in the context of three crises, specifically changes in its founding leadership, legal environment, and philanthropy. The Institute's survival throughout these circumstances depended on the Ford family, as well as the staff of the Ford Motor Company, Ford Foundation, and Edison Institute, to navigate these challenges over the course of nearly ninety years.

Literature Review

The Ford family and their corporate and philanthropic ventures, including the Edison Institute, stand out among case studies of similar industrial families and related institutions, due to the size and scope of their activity. For example, the Ford Foundation served as the largest grantmaking foundation of the mid-twentieth century, placing the family at the forefront of the nation's debate over the leadership and financial management of philanthropic institutions. The Ford family also utilized their Ford Motor Company and its Ford Motor Company Fund as

significant funders of the Institute and other nonprofit organizations. However, few of these institutions have been examined in any depth, particularly in regards to their role during the periods in which they interacted with the Edison Institute. Additionally, previous literature focused on the Ford family and their philanthropic activity function as institutional histories and have not presented an analysis of the Ford family's leadership, management, governance, or philanthropic support.

Most of the secondary sources related to the Fords, Ford Motor Company, Ford Foundation, and Edison Institute follow the institutional development of a single organization or combine all Ford-related personal, corporate, and philanthropic history within a single volume. In many cases, these works function as institutional histories, general biographies, or commemorative histories for organizational anniversaries.¹⁴ In the 1960s, William Greenleaf wrote *From These Beginnings: The Early Philanthropies of Henry and Edsel Ford, 1911-1936* and an unpublished manuscript entitled *The Ford Foundation: The Formative Years*, concentrating on the Foundation's philanthropy from 1936 to 1956 with a brief mention of the Edison Institute.¹⁵ In 1987, Francis Sutton wrote "The Ford Foundation: The Early Years" for *Daedalus*, which briefly covers the earliest portion of the Foundation's history and its interactions with the Edison Institute. Richard Magat succinctly explained, "Except for [the Ford Foundation's] first decade and a half, when it remained in obscurity as a family philanthropy, the

¹⁴ Allan Nevins and Frank Ernest Hill, *Ford: Decline and Rebirth, 1933-1962*, Vol. III, (New York: Charles Scribner's Sons, 1963); Allan Nevins and Frank Ernest Hill, *Ford: Expansion and Challenge, 1915-1933*, Vol. II (New York: Charles Scribner's Sons, 1957); David L. Lewis, *The Public Image of Henry Ford: An American Folk Hero and His Company* (Detroit: Wayne State University Press, 1987); Walter Hayes, *Henry: A Life of Henry Ford II* (New York: Grove Weidenfeld, 1990); Peter Collier and David Horowitz, *The Fords: An American Epic* (New York: Summit Books, 1987); Ford R. Bryan, *Henry's Attic: Some Fascinating Gifts to Henry Ford and His Museum*, ed. Sarah Evans (Dearborn, Michigan: Ford Books, 1995); and Ford R. Bryan, *Friends, Families & Forays: Scenes from the Life and Times of Henry Ford* (Detroit: Wayne State University Press, 2002).

¹⁵ Interoffice Memorandum regarding Greenleaf History Project No. 2 to Joseph M. McDaniel from Adie Suehsdorf, 16 January 1957, Related Correspondence and Materials, William Greenleaf, "The Ford Foundation: The Formative Years," 1957, Log File L57-1209, Reel L-43, Ford Foundation records, Rockefeller Archive Center.

Foundation has been quite visible.”¹⁶ By the late 1990s, over 200 dissertations had been written on the Ford Foundation.¹⁷ Most literature related to the Ford Foundation’s philanthropy concentrates on its expanded programming and international focus following the Gaither Report in 1950.¹⁸ Previous institutional histories of the Edison Institute concentrate on Henry Ford’s collecting and the evolution of the museum’s exhibits, rather than focusing on its management, funding, and relationship with the Ford family’s other philanthropic activities.¹⁹

Although the Edison Institute does not have a scholarly monograph dedicated to its funding, management, or philanthropic history, scholars have written similar works on other American museums. Several of these works include Kevin Guthrie’s *The New York Historical Society: Lessons from One Nonprofit’s Long Struggle for Survival*, Anders Greenspan’s *Creating Colonial Williamsburg*, and Jeffrey Abt’s *A Museum on the Verge: A Socioeconomic History of the Detroit Institute of Arts*.²⁰ These books function as contextualized institutional histories of nonprofit museums, focusing on philanthropic, management, and funding issues. Additionally, these works bridge the Edison Institute case study’s central themes, including institutional leadership, funding, and legal challenges.

¹⁶ Richard Magat, “In Search of the Ford Foundation,” in *Philanthropic Foundations: New Scholarship, New Possibilities*, ed. Ellen Condliffe Lagemann (Bloomington, Indiana: Indiana University Press, 1999), 298.

¹⁷ *Ibid.*, 300.

¹⁸ Dwight Macdonald, *The Ford Foundation: The Men and the Millions* (New Brunswick, NJ: Transaction Publishers, 1989, Reprint of 1956 edition); Richard Magat, *The Ford Foundation at Work: Philanthropic Choices, Methods, and Styles* (New York: Plenum Press, 1979); Francis X. Sutton, “The Ford Foundation: The Early Years,” *Daedalus* 16, no. 1 (Winter, 1987): 41-91; Robert Leonard, “To Advance Human Welfare!: Economics and the Ford Foundation, 1950-1968,” (Center for the Study of Philanthropy and Volunteerism, Institute of Policy Sciences and Public Affairs: Duke University, 1989); H. Rowan Gaither, Jr., *Report of the Study for the Ford Foundation on Policy and Program* (Detroit, Michigan: The Ford Foundation, 1949); and H. Rowan Gaither, Jr., *The Ford Foundation and Contemporary America* (New York: Ford Foundation, 1956).

¹⁹ Miller, *Telling America’s Story*; Upward, *A Home for Our Heritage*; and Wamsley, *American Ingenuity*.

²⁰ Kevin M. Guthrie, *The New-York Historical Society: Lessons from One Nonprofit’s Long Struggle for Survival* (San Francisco: Jossey-Bass Publishers, 1996); Anders Greenspan, *Creating Colonial Williamsburg: The Restoration of Virginia’s Eighteenth-Century Capital* (Chapel Hill, North Carolina: University of North Carolina Press, 2009); and Jeffrey Abt, *A Museum on the Verge: A Socioeconomic History of the Detroit Institute of Arts, 1882-2000* (Detroit, MI: Wayne State University Press, 2001),

Founding to Professionalized Institutional Leadership

Colonial Williamsburg offers one of the most comparable case studies to the leadership evolution of the Edison Institute. As described in Anders Greenspan's *Creating Colonial Williamsburg: The Restoration of Virginia's Eighteenth-Century Capital*, Colonial Williamsburg served as the historic preservation project of the Rockefeller family, who gave millions of dollars and helped lead the organization for several generations. Founded and supported by an extremely wealthy philanthropic family, Colonial Williamsburg followed a similar progression from founding leadership to professionalized staff as the Edison Institute. Soon after Henry Ford's efforts at the Institute, John D. Rockefeller, Jr., spent a significant portion of his time and wealth on the project, particularly during the Great Depression. Williamsburg also depended on philanthropic support, as its expenses far outweighed its earned income from admissions fees. Over time, the Rockefellers' work at Colonial Williamsburg became increasingly professionalized, while seeking its own unique strategy to fulfill its financial obligations, meet Internal Revenue Service regulations, and move away from the public impression of complete Rockefeller support.²¹

Henry du Pont's Winterthur followed a similar course, as indicated in Ruth Lord's *Henry F. du Pont and Winterthur: A Daughter's Portrait*. Du Pont directed much of his personal time and fortune into the creation of the collections of Winterthur in Delaware. With the assistance of a team of capable collectors and academically-trained curators from its earliest years, Winterthur emerged as a renowned collection sought after by other museums. Additionally, the du Pont family members established the Winterthur Program in early American Culture, creating a partnership with the University of Delaware for fellowships and graduate programs that have trained some of the field's foremost professionals since 1951.²²

²¹ Greenspan, *Creating Colonial Williamsburg*, 8-9, 20-21, 35, 42, 54-55, 64-65, 80, 108-109, 134, 139-140.

²² Ruth Lord, *Henry F. du Pont and Winterthur: A Daughter's Portrait* (New Haven: Yale University Press, 1999), 180-183, 188, 201, 203, 206-208.

The Edison Institute raises significant questions about the close relationship between a nonprofit's leadership and funding challenges. Kevin Guthrie's *The New-York Historical Society: Lessons from One Nonprofit's Long Struggle for Survival* serves as one of the most widely-read case studies to examine these questions. Throughout the New-York Historical Society's history, Guthrie reveals how board and executives' decisions impacted the operating and financial performance of the organization, particularly in periods of crisis. While the organization utilized philanthropy at a limited level, its board faced many questions regarding the proper means to perpetuate the Society's mission and activities. The case illustrates the importance of leaders utilizing long-term strategy and planning, particularly to avoid ongoing financial and legal challenges. Through the use of a historical case study and additional analysis of nonprofit practice, Guthrie presents a comparable examination to the Edison Institute, focused on a cultural organization attempting to develop a long-term strategy and sustainable funding in a challenging environment.²³

Francie Ostrower's research offers some of the most comprehensive modern studies of leadership and board members within cultural nonprofits. As Francie Ostrower explains in her work, *Trustees of Culture*, the wealthy elite provide vital support to arts organizations through their private contributions and board membership.²⁴ As part of their unique system of patronage, these individuals establish, sustain, and direct the cultural organizations in which they are involved.²⁵ Essentially, organizational survival requires that boards be willing to sacrifice their exclusivity, in order to make necessary adaptations to their governing members and funding sources.²⁶ If the organization wishes to be prestigious based on its achievements in its field, the board must be willing to obtain extensive financial resources from new elites on a regular basis.²⁷

²³ Guthrie, *The New-York Historical Society*, 65-67, 94-95, 174-179.

²⁴ Francie Ostrower, *Trustees of Culture: Power, Wealth, and Status on Elite Art Boards* (Chicago: University of Chicago Press, 2002), xiii-xiv.

²⁵ *Ibid.*, xiv.

²⁶ *Ibid.*, 35.

²⁷ *Ibid.*, 36.

Therefore, board members must be willing to be active fundraisers and donors, while looking for these same traits in potential trustees.²⁸ According to Ostrower, elite board members serve an important function in raising funds among their peer group. As a result, elite-led organizations are likely to raise large amounts from other affluent individuals within their communities.²⁹ While professional fundraisers provide information and structure to development activity, elite board members serve as the vital link with affluent donors.³⁰ In many cases, elite trustees of arts organizations also serve on corporate boards. Fundraising activity serves as the primary difference between their responsibilities in nonprofit and corporate institutions.³¹ As described by Ostrower, the challenge of fundraising within the Ford family's nonprofit board appears throughout the Edison Institute case study, although their level of involvement varies over the course of the institution's history.

While museum case studies reveal the importance of founding leadership and their influence on the initial life stages of these institutions, the field as a whole has professionalized throughout the twentieth century. In *Riches, Rivals, and Radicals: 100 Years of Museums in America*, Marjorie Schwarzer presents the history of these complex institutions contending with increasingly diversified audiences, dynamic exhibitions, and exacting expectations for their management and financial performance. With the American Association of Museums' founding in 1906, museum staff began to seek a better understanding of how to conduct the business of collecting, recording, exhibiting, and educating within their own institutions through collaborations within similar organizations nationally. The professionalization of curators, conservators, museum educators, and administrators throughout the twentieth century changed the face of these organizations, particularly as a result of increased training and education for staff and scholars. Utilizing inspiration from the changing world around them and other institutions

²⁸ Ibid., 37, 63.

²⁹ Ibid., 64, 69.

³⁰ Ibid., 72.

³¹ Ibid., 67.

globally, museum staff reimagined original collections through new exhibits and programs. Additionally, they sought to give museums a public purpose beyond the individual collections of their founders, meeting social needs and seeking funding from an increasing diverse donor pool of foundations, government agencies, corporations, and individuals. Over time, the museum field has moved away from its founder-inspired collections to one that is highly professionalized in its leadership and operations.³²

Philanthropy

The Edison Institute has long survived alongside other Detroit-area nonprofits, including the Detroit Institute of Arts (DIA). In *A Museum on the Verge: A Socioeconomic History of the Detroit Institute of Arts, 1882-2000*, Jeffrey Abt examines similar questions concerning funding challenges and sustainability within the relatively unstable environment of Detroit. He describes one of his main goals for the book as being "...to explain how such a large and distinguished institution could have been created over such wobbly underpinnings."³³ The DIA differs from the Edison Institute based on its strong dependence on governmental funding and leadership at several points during its history, rather than functioning as a publically-supported nonprofit organization. Within the study, Abt examines the DIA's revenue sources and its dependence on particular income streams over time, offering a template for a comparable historical case study of the Edison Institute. However, Abt indicates the limitation of this form of historical study, as it restricts the institutional history's capacity to incorporate discussions of the exhibitions, collections, and other programmatic activity in favor of the administrative and financial topics.³⁴

The study of philanthropy and funding challenges within museums has oftentimes been intertwined with other management topics, including the issue of sustainability and funding

³² Marjorie Schwarzer, *Riches, Rivals, and Radicals: 100 Years of Museums in America* (Washington, D.C.: American Association of Museums, 2006), 6-7, 92-93, 125-126, 130-131, 141, 172-175, 181, 186-187, 197-198, 201, 205, 211-213,

³³ Abt, *A Museum on the Verge*, 15.

³⁴ *Ibid.*, 15-16, 35-37, 41-42, 261-264.

diversification. In *Managing Change in the Nonprofit Sector: Lessons from the Evolution of Five Independent Research Libraries*, Jed Bergman's case studies reveal the role of leaders' philanthropy in the formation of cultural institutions. For example, Henry Edwards Huntington developed the Huntington Library, Art Collections, and Botanical Gardens in 1919 in San Marino, California.³⁵ This institution survived for over thirty years based on its founder's original bequest. However, changes to its endowment and financial situation required that it reexamine its financial operations to survive.³⁶ Similar to other cases of research libraries and museum-like institutions, the Huntington case illustrates the extent to which founders influence the underlying structure, board, funding, and legal documents of their philanthropic institutions. These founders oftentimes utilized endowments and legal trusts as a means to perpetuate their ideas beyond their respective lifetimes.³⁷ As a result of the Huntington's reliance on its original founder's support and reputation as a wealthy and prestigious organization within the community, potential supporters perceived the institution as continuing to be self-reliant. Without leadership actively seeking to dispel this perception, fundraising efforts remained weak.³⁸ The Huntington library illustrates one case study in which organized fundraising activity arrived relatively late within an institution's history. Trustees in similar organizations viewed fundraising as a last resort or easy solution to large-scale financial challenges that result from the institution's structure, culture, and the environment in which it functions.³⁹

In *The Charitable Nonprofits: An Analysis of Institutional Dynamics and Characteristics*, Bowen and others articulate a key finding among cultural institutions, including museums, in that organizational sizes and financial structures vary greatly due to their individual history and community. Within their study, Bowen and his colleagues discovered organizations that defied

³⁵ Jed I. Bergman, *Managing Change in the Nonprofit Sector: Lessons from the Evolution of Five Independent Research Libraries* (San Francisco: Jossey-Bass Publishers, 1996), 3, 6.

³⁶ *Ibid.*, 3-4.

³⁷ *Ibid.*, 144.

³⁸ *Ibid.*, 16-17.

³⁹ *Ibid.*, 146-147.

the usual characteristics of a museum's sub-field based on the people and location that most greatly influenced their growth.⁴⁰ Additionally, museums and similar institutions faced increasing financial challenges. In response, these organizations turned to the increased use of admission fees to offset their costs. This finding contrasts with their historic role as civic institutions that had an option to seek donations.⁴¹ In some cases, the increasing complexity of museums and the presence of internal divisions competing for scarce resources led to the erosion of their public mission.⁴² Museums faced extraordinary costs, particularly related to the costs of new items for their collections. Fees could be increased to a certain point, at which the institution began to exclude people who are not willing to pay for admission. In order to serve the public good, museums self-regulated to maintain reasonable admission fees and utilize other forms of revenue to meet their financial needs.⁴³ Overall, museums, including the Edison Institute, have faced significant challenges due to the evolution of revenue streams and varying cultures of philanthropic support.

Legal Environment

The Edison Institute's history reveals the importance of studying change in nonprofit institutions over time based on their legal context. In *Private Charity and Public Inquiry: A History of the Filer and Peterson Commissions*, Eleanor Brilliant reveals the public policy implications of these two commissions on the nonprofit sector, based on the people and events involved in their history. Brilliant examines these commissions within the context of American philanthropy. The work illustrates the significant role of political relationships and debates in the formation of relevant tax law and its impact on charitable giving. The historical examination of the Filer and Peterson Commissions also indicates how foundations, including the Ford

⁴⁰ William G. Bowen and others, *The Charitable Nonprofits: An Analysis of Institutional Dynamics and Characteristics* (San Francisco: Jossey-Bass Publishers, 1994), 124-125.

⁴¹ *Ibid.*, 133.

⁴² Michael J. Lewis, "Art for Sale," *Commentary*, March 2006: 36.

⁴³ Bowen, *The Charitable Nonprofits*, 133.

Foundation and Rockefeller philanthropies, and their personnel became the focus of congressional investigations during the mid-twentieth century, as a result of widespread fear concerning the concentration of wealth among certain families and geographic regions. While the commissions had a limited impact on the direction of the congressional hearings, they did have an overall effect on the unity of the philanthropic field.⁴⁴

Olivier Zunz also examines the philanthropic sector, broadening his study to incorporate most of the twentieth century in *Philanthropy in America: A History*. Focused on both mass philanthropy among the general population and large gifts from individuals and foundations, Zunz's work examines the national and political context of giving and the development of the American nonprofit sector. As a result, the sector functions within the scope of federal regulation, subsidies, and tax law for the creation and funding of these institutions. However, wealthy philanthropists and institutional leaders who created foundations and other charitable organizations intended to serve the public good, with diverse missions and intentions.⁴⁵ Americans took on a "collective responsibility" in the early part of the twentieth century that incorporated the efforts of the masses into the efforts of the few, which further augmented the philanthropy of the wealthy.⁴⁶ Throughout the twentieth century, philanthropy simultaneously amplified and countered state efforts, while fulfilling emerging needs in American and global society within the limits of existing regulation.⁴⁷

David Hammack serves as one of the foremost scholars on the history of American philanthropy. In his most recent collaboration with Helmut Anheier, *A Versatile American Institution: The Changing Ideals and Realities of Philanthropic Foundations*, Hammack utilizes

⁴⁴ Eleanor L. Brilliant, *Private Charity and Public Inquiry: A History of the Filer and Peterson Commissions* (Bloomington, Indiana: Indiana University Press, 2000), 2-5, 22-23, 28-29, 42, 66-67, 90, 95, 99-100, 140-141, 144-145, 150.

⁴⁵ Olivier Zunz, *Philanthropy in America: A History* (Princeton, New Jersey: Princeton University Press, 2012), 3-5, 22-23, 26, 52, 83.

⁴⁶ *Ibid.*, 44-45.

⁴⁷ *Ibid.*, 104-105, 150-151, 180-185, 201, 236-237, 261, 284, 289.

historical analysis to inform international policy debate regarding the role of foundations in civil society. The volume explores the impact of historical and geographical context on the evolution of these philanthropic institutions.⁴⁸ As a result, Hammack's depiction of the Ford Foundation reveals the influence of organizations created under regulation developed earlier in the twentieth century, as well as the evolving relationship of foundations with local, state, national, and international affairs.⁴⁹ Within their analysis, Hammack and Anheier reveal how a select group of large foundations, including the Ford Foundation, have been studied extensively without necessarily being representative of the foundation field as a whole.⁵⁰ Hammack co-authored *Social Science in the Making: Essays on the Russell Sage Foundation, 1907-1972*, which illustrates a similarly exceptional case regarding the Russell Sage Foundation. As a foundation intended to influence public policy through research, this Russell Sage Foundation case study utilizes Hammack's historical analysis to reveal the evolution of the organization away from its original purposes based on the ever-changing context of social movements and government regulation. Together with the Rockefeller, Carnegie, and Ford foundations, the Russell Sage Foundation's historical case illustrates the profound effect of the relationship between foundations, their nonprofit partners, and the legal and social environments in which they interact.⁵¹ Hammack and Zunz's work functions within the canon of literature related to the history of foundations, illustrating the interaction of these philanthropic institutions with the nonprofit, for-profit, and governmental sectors. As a result of these works, scholars may better understand the evolution of foundations, including their programs, grantmaking, public policy role, and research generation, as well as the way in which these institutions function as an integral component of the nonprofit and voluntary sector.

⁴⁸ David C. Hammack and Helmut K. Anheier, *A Versatile American Institution: The Changing Ideals and Realities of Philanthropic Foundations* (Washington, D.C.: Brookings Institution Press, 2013), vii-viii.

⁴⁹ *Ibid.*, 76, 100, 108, 140.

⁵⁰ *Ibid.*, ix.

⁵¹ David C. Hammack and Stanton Wheeler, *Social Science in the Making: Essays on the Russell Sage Foundation, 1907-1972* (New York: Russell Sage Foundation, 1994), x, 1-2, 5, 10, 14, 35, 108.

John Anderson's *Art Held Hostage: The Battle over the Barnes Collection* examines one of the foremost case studies of a nonprofit impacted by an extended legal battle related to its founder's philanthropy and the organization's incorporation documents. Within the Barnes Collection case, the author raises issues of sustainability, board leadership, and the unique attributes of the founder. In the book, Anderson reveals the importance of discovering the historical details of an organization's founding in order to understand and appreciate the complexity of the legal case. While the Edison Institute may not currently serve as the quintessential case study for legal challenges of nonprofit organizations and founder's intent, it shares the Barnes Collection's characteristic of being dependent on an entrepreneurial founder, whose purpose and strategy for the institution evolved through subsequent generations of leadership and law.⁵² As a group, these case studies reveal the importance of utilizing historical research techniques to understand the complexity of organizations' internal and external challenges to reveal the means through which they change and survive over time. The use of historical study offers access to unique source material that is oftentimes unavailable for contemporary research, while also offering the opportunity to utilize time as a key variable, indicating the need to adapt to different legal environments and philanthropic practices.

Significance of Research

This dissertation examines the institutional history of the Edison Institute, to better understand the Ford family's leadership and philanthropic strategy of the Edison Institute and their other corporate and philanthropic activities. The Edison Institute most typified Henry Ford's philanthropy, and received the most time, money, and care of any of his philanthropic

⁵² John Anderson, *Art Held Hostage: The Battle over the Barnes Collection* (New York: W. W. Norton and Company, 2003), 28, 36-37, 50-51, 138, 220-222.

ventures.⁵³ However, most relevant literature on the Fords' philanthropy, including the Ford Foundation's early history, skims over the Edison Institute.

The Edison Institute serves as a significant historical case study due to its presence at the intersection of substantial American legal, industrial, and philanthropic topics. Due to its long history and involvement with one of America's wealthiest philanthropic foundations, the Edison Institute illustrates noteworthy changes in American philanthropy, including its regulation and practice throughout the twentieth century. Likewise, the Institute's close relationship with Henry Ford and his descendants places the organization at the forefront of his philanthropic legacy. The case study reveals the Institute's management structure, in addition to related challenges of its funders, including the Ford Foundation, Ford Motor Company, Ford Motor Company Fund, and the Ford family itself. Few academic studies have concentrated on the Ford's philanthropic organizations, particularly the Ford Motor Company Fund, as a result of previous limitation on access to archival collections. Altogether, the Edison Institute case study raises significant questions regarding how the organization respects its founder's legacy and his personal view of history, while maintaining a sustainable leadership and funding strategy.

The Edison Institute evolved differently from other American museums of its time due to the unique way in which the Fords conducted their philanthropy. Much of this context derives from developing my master's thesis as a comparative study of American museum-building activity by industrial philanthropists during the early to mid-twentieth century.⁵⁴ For example, John D. Rockefeller, Jr.'s Colonial Williamsburg depended upon its revenue streams differently from Henry Ford's Edison Institute, as Colonial Williamsburg utilized an endowment independent of the Rockefeller's corporate philanthropy. The Edison Institute's relationship with

⁵³ "Ford Foundation Contributions," Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center; Greenleaf, *From These Beginnings*, 72, 110-111; and Magat, *The Ford Foundation at Work*, 18.

⁵⁴ Brittany L. Miller, "A Mechanism of American Museum-Building Philanthropy, 1925-1970" (MA thesis, IUPUI, 2010).

the Fords appears to have lasted longer than those of other philanthropists with their museums. Therefore, the Edison Institute's journey to independence and sustainability took significantly longer, while creating extensive documentation of its relationship with the Ford family and their corporate and philanthropic institutions. As a result, this study presents a detailed examination of distinct phases in their funding and leadership at the Institute over nearly a century.

The Edison Institute's depth of archival collections permits an extraordinary level of description of the relationship between the museum complex and the Ford family. Letters, legal documents, oral histories, and financial records reveal how the Edison Institute's administration sought to break away from the Fords' influence, while also holding onto the relationship as a financial safety net. Over time, the overlapping activity between the Ford Motor Company and the Edison Institute had to be separated (with a physical wall) to circumnavigate the growing threat of new tax codes and legal stipulations over ownership. While historical methodologies are essential to access these records, a thorough understanding of twentieth-century philanthropy, foundations, tax law, and nonprofit management opens this case study to unparalleled analysis. It also provides an unprecedented opportunity for the Edison Institute and other nonprofit museums to examine how diversifying philanthropic revenue streams serves as part of the transition away from a founder/philanthropist. The Edison Institute case also stands out due to its connection to one of the twentieth century's most influential industrialists and philanthropists.

The crisis of evolving leadership and the role of a founder within it illustrate the significance of the Ford family's involvement with the Edison Institute. Henry Mintzberg, a noted leadership and management scholar, directly references Henry Ford as an example of extreme autocratic leadership, describing Ford as retaining "his strong system of personalized (and in this case, truly 'autocratic') control right up to his death and, consequently, almost destroyed the results of a lifetime of work."⁵⁵ The Edison Institute case study reveals the role of

⁵⁵ Henry Mintzberg, "Power and Organization Life Cycles," *Academy of Management Review* 9, no. 2 (1984): 214.

Henry Ford's leadership style within the context of philanthropy, which perpetuated many of his corporate ideas within the scope of his foundation and nonprofit organizations. While Ford's corporate leadership and power has been examined, this study serves as a direct comparison of his leadership within a nonprofit organization.

Over the course of multiple generations, the Ford family members functioned as founders, donors, board members, and executive-level managers of the Edison Institute, in addition to serving as founders, board members, and executives of the Ford Foundation, the Ford Motor Company, and the Ford Motor Company Fund. They served as leaders within multiple, dependent organizations, offering an example of how leadership functions within and between organizations. The Edison Institute case provides a means to examine how this complex system of leadership offers overall direction for the creation of the organization's underlying funding strategy, impacting its ability to sustain itself over time. Additionally, it presents a significant case study for the examination of evolving legal regulation designed to limit the influence of interrelated parties of individuals and organizations over philanthropic institutions, specifically as related to the Tax Reform Act of 1969. The Ford's corporate and philanthropic enterprises are shown to become central figures within congressional debates over the relationship permitted between concentrated governance and funding sources for public charities.

Traditionally, scholars study leadership and management as distinct processes within organizations. However, both components are necessary for organizational survival.⁵⁶ While professionalized staff contribute management processes, governing boards provide leadership and vision that are essential to the organization.⁵⁷ In the case of the Ford family, their involvement at the executive level of their organizations, as well as serving on their boards, results in the overlap

⁵⁶ Peter G. Northouse, *Leadership: Theory and Practice*, Third Edition (Thousand Oaks, CA: SAGE Publications, 2004), 8.

⁵⁷ Vic Murray, "Governance of Nonprofit Organizations," *Understanding Nonprofit Organizations: Governance, Leadership, and Management*, edited by J. Steven Ott (Boulder, CO: Westview Press, 2001), 9; Stephen R. Block, "Executive Director," *Understanding Nonprofit Organizations*, 106; and Northouse, *Leadership*, 8-9.

of both management and leadership principles.⁵⁸ The board governance and executive leadership of the Edison Institute and the Ford's other philanthropies illustrates the importance of studying both aspects of their leadership to best understand their influence on their organizations' funding strategy and long-term survival.

Methodology

This work uses historical methodologies concentrating on critical reading and analysis of primary and secondary sources, as well as triangulation, to examine leadership, management, and philanthropic issues within the Edison Institute, Ford Foundation, Ford Motor Company Fund, and the Ford family's other corporate and philanthropic activities throughout most of the twentieth century.

In order to investigate the evolution of internal and external challenges at the Edison Institute that impacted its survival, I travelled to archives at the Benson Ford Research Center at The Henry Ford (Dearborn, Michigan), the Rockefeller Archives Center (Sleepy Hollow, NY), Ford Motor Company Archive (Dearborn, Michigan), and the Foundation Center Historical Foundation Collection located at the Ruth Lilly Special Collections and Archives of IUPUI (Indianapolis, IN).⁵⁹ This dissertation's most significant contribution to the literature derives from its analysis of how the Edison Institute survived significant crises regarding evolving leadership, philanthropic practices, and legal environment throughout the twentieth century.

⁵⁸ Block, "Executive Director," *Understanding Nonprofit Organizations*, 100.

⁵⁹ The Ford Foundation records moved to the Rockefeller Archives Center in April 2012, allowing unprecedented access to primary sources on the Foundation's support of the Edison Institute. Likewise, relevant administrative collections from the Ford Motor Company and the Edison Institute (Benson Ford Research Center) have only recently been opened to researchers.

Sources

This work uses primary sources to examine leadership, funding, and legal challenges within the Edison Institute, Ford Foundation, Ford Motor Company Fund, and the Ford family's other philanthropy conducted throughout the twentieth century. Primary sources originate from the Benson Ford Research Center at The Henry Ford (Dearborn, Michigan), Rockefeller Archive Center (Sleepy Hollow, New York), and the Foundation Center Historical Foundation Collection located at the Ruth Lilly Special Collections and Archives of IUPUI (Indianapolis, IN). The Foundation Center Historical Foundation Collection materials include Ford Foundation and Ford Motor Company annual reports, publications, and tax records. Sources from the Rockefeller Archive Center concentrate on the Ford Foundation's grant documentation and related correspondence related to its early funding of the Edison Institute (1936-1951) and its collaborative grant with the Ford Motor Company Fund (1969-1974). The primary source materials from the Benson Ford Research Center vary, due to the complexity of its archival collections that encompass the Ford family's private papers, Ford Motor Company records, Edison Institute historical records, and select materials from the Ford Foundation and other corporations and organizations founded and managed by the Ford family. Source materials derive from Edison Institute administrators' oral histories, paperwork, and correspondence; Ford-related legal correspondence; Edison Institute and Ford financial records; and Ford Motor Company annual reports, departmental correspondence, meeting minutes, and subject files. Examples of archival materials used within this paper include an unpublished manuscript of William Greenleaf's *The Ford Foundation: The Formative Years*; Henry and Edsel Ford's wills; correspondence between the Edison Institute, Ford Foundation, Ford Motor Company, and Ford Motor Company Fund; and drafted legal correspondence regarding the incorporation of the Ford Foundation and division of Ford Motor Company's shares for its funding. The Ford Motor Company Archives provided several never-before released annual reports for the 1950s, filling important gaps in the documentation of the Ford Motor Company Fund's early grant efforts.

Conclusion

Throughout the following chapters, this dissertation reveals the way in which the Edison Institute navigated three significant crises to survive throughout the twentieth century. In spite of an idiosyncratic founder, the Institute's staff and board developed increasingly professionalized means to utilize Henry Ford's collections while fulfilling its educational mission. The staff also navigated the challenges of the Ford family's evolving funding, involving the Ford Foundation, Ford Motor Company, and Ford Motor Company Fund, to eventually create a formalized development office and fundraising strategy. Additionally, the Ford family and Institute staff traversed a challenging legal environment that threatened the conceptual infrastructure and funding system upon which it depended. Nearly ninety years after Henry Ford envisioned the Edison Institute, it continues to exhibit his collections within the scope of a funding structure that appears quite different from his original strategy.

CHAPTER TWO: ENVISIONING HENRY FORD'S EDISON INSTITUTE

Introduction

Laurence Coleman, director of the American Association of Museums in the 1930s, said that “The donor’s hand has done much—probably more than anything else—to shape museums. . . .”⁶⁰ In the history of any institution, there are always prominent actors who, through deep reservoirs of talent or financial clout, wield incredible influence over an organization’s development and growth. Among America’s most prominent museums, wealthy families often played key roles in shaping the futures of these institutions. Some of the most recognized living history museums and art institutions were completely dependent upon their wealthy benefactor families to become the organizations that they are today. From the Rockefellers and the development of Colonial Williamsburg to the Lilly family and the Indianapolis Museum of Art, philanthropist-collectors created institutions across the United States.⁶¹ These museums featured unique collections, while providing the foundation on which future museum professionals and boards of trustees served the public good.⁶²

Henry Ford participated in this widespread philanthropic trend, practiced by his industrial and societal peers across the country. After building one of the most profitable companies in the history of the United States, Ford turned his attention to collecting and developing a series of cultural organizations that reflected his views on business, philanthropy, and leadership. The establishment of the Edison Institute by Ford in 1929 serves as a fitting example of Ford’s approach to founding and developing a public cultural organization, as well as a microcosm of a broader philanthropic trend being practiced by many of America’s wealthiest families between

⁶⁰ Laurence Vail Coleman, *The Museum in America: A Critical Study* (Washington, D.C.: American Association of Museums, 1939), 31.

⁶¹ *Ibid.*

⁶² *Ibid.*

1930 and 1960.⁶³ When Ford established the Edison Institute in 1929, he created an organization that was dependent on his philanthropy and business (the Ford Motor Company) for survival; his management for staffing decisions; and his ideas and beliefs for guidance. Ford's philanthropy and management style, like his peers across the country, would prove to be a double-edged sword—being both vital for the initial founding of the Edison Institute and a major source of challenges for the institution many decades after his death.

Henry Ford and His Family

For Henry Ford, business, family, and philanthropy were inextricably linked. He married Clara Bryant, with whom he had one child, Edsel Bryant Ford.⁶⁴ Edsel eventually married Eleanor Clay, with whom he had four children, Henry II, Benson, William Clay, and Josephine Ford.⁶⁵ Henry Ford and his family's philanthropy resulted from their financial success as industrialists in the Detroit area, located in southeastern Michigan. Henry Ford formed the Ford Motor Company (the Company) on June 16, 1903.⁶⁶ He eventually bought out his fellow shareholders and reorganized the Company into a family-owned and managed business on July 11, 1919.⁶⁷ By 1923, Henry Ford's company made up 55 percent of the automotive industry's market share.⁶⁸ Henry Ford's total wealth would be equivalent to \$54 billion in 2007 dollars, making him the twelfth wealthiest person in American history.⁶⁹ In a 2007 ranking of the 31 wealthiest Americans in history, published by *The New York Times*, Ford ranks behind Andrew Carnegie (sixth with \$75 billion), Bill Gates (fifth with \$82 billion), and John D. Rockefeller

⁶³ For additional case studies of this phenomenon, see Brittany L. Miller, "A Mechanism of American Museum-Building Philanthropy, 1925-1970" (MA thesis, IUPUI, 2010).

⁶⁴ See Appendices A and B for the Ford family tree. James J. Flink, "Ford, Henry," *American National Biography*, vol. 8, ed. John A. Garraty and Mark C. Carnes (New York: Oxford University Press, 1999), 227.

⁶⁵ James J. Flink, "Ford, Edsel Bryant," *American National Biography*, vol. 8, 221.

⁶⁶ Flink, "Ford, Henry," *American National Biography*, 227, 229.

⁶⁷ *Ibid.*

⁶⁸ Tom Jackson and others, "The Wealthiest Americans Ever," *New York Times*, http://www.nytimes.com/ref/business/20070715_GILDED_GRAPHIC.html#.

⁶⁹ *Ibid.*

(first with \$192 billion) but ahead of Warren Buffett (sixteenth with \$46 billion).⁷⁰ During the course of his life, Henry Ford's wealth provided him with the means to wield extensive corporate and philanthropic influence.

Multiple generations of the Ford family served as board members and executives within the Ford corporations and philanthropic institutions. For example, Edsel Ford began serving on the Ford Motor Company's board of directors in 1915 and worked as the Company's Treasurer and President between 1919 and 1943, taking over the position from his father. By 1919, Edsel Ford owned 41.7% of the Company's stock.⁷¹ In addition to serving on the board of Henry Ford's Edison Institute, Edsel Ford also functioned as president of the Detroit Institute of Art and board member of the Museum of Modern Art in New York City.⁷² Likewise, Edsel's eldest son, Henry Ford II served as a Company executive and board member, as well as a leader in Detroit-area public service and philanthropy. He became vice president of the Company in December of 1943, before assuming the presidency between 1945 and 1963.⁷³ Henry Ford II also served as the Company's Chairman of the Board from 1960 to 1980.⁷⁴

Henry Ford's personal philanthropic activity primarily concentrated on vocational training and historic preservation projects.⁷⁵ To further his ideals about the importance of hands-on education and vocational training, Ford established the Henry Ford Trade School in 1916, followed by the school system at Greenfield Village, which lasted from 1929 through 1962.⁷⁶ In addition, Ford and his family created the Henry Ford Hospital, taking complete responsibility for

⁷⁰ Ibid.

⁷¹ Flink, "Ford, Edsel Bryant," *American National Biography*, 221.

⁷² Edsel Ford was an active collector of modern art and served as board member at the Detroit Institute of Art and the Museum of Modern Art (New York). See Ibid., 222; and Peter Collier and David Horowitz, *The Fords: An American Epic* (New York: Summit Books, 1987), 144-146.

⁷³ Henry Ford II did not serve as the Ford Motor Company president during a short period between 1960 and 1961. See K. Austin Kerr, "Ford, Henry, II," *American National Biography*, vol. 8, 235.

⁷⁴ Ibid., 235.

⁷⁵ Flink, "Ford, Henry," *American National Biography*, 230

⁷⁶ Ibid.; and Ford R. Bryan, *Henry's Attic: Some Fascinating Gifts to Henry Ford and His Museum*, ed. Sarah Evans (Dearborn, Michigan: Ford Books, 1995), 11.

its early administration.⁷⁷ Henry Ford solely supported an experiential learning institution on the Greenfield Village campus, known as the Greenfield Village Schools, and designed it to function independently of other area school districts.⁷⁸ Approximately 300 students attended the Village Schools by 1940, which primarily educated the children of Ford Motor Company employees or neighbors.⁷⁹ Henry Ford's interest in historic preservation resulted in his establishment of the Wayside Inn site in South Sudbury, Massachusetts, and later the Edison Institute complex in Dearborn, Michigan. These institutions revealed his interest in preserving historic structures that he believed to be of particular importance as a result of their affiliation with American literature and technological innovation and industry. In addition, he restored and moved structures related to his own life and those of his friends and fellow innovators of the early twentieth century. Planning these projects during the earliest period of historic preservation, Henry Ford and his associates' preservation and restoration activity was later criticized by professionals.⁸⁰ The Edison Institute exemplified Henry Ford's primary philanthropic interests, serving as an organization that promoted both vocational training through the Greenfield Village Schools and historic preservation in the museum and village buildings.

Henry Ford's Collecting Activity and the Involvement of the Ford Motor Company

Henry Ford personally collected for years prior to creating the Edison Institute. Clocks and watches comprised a significant portion of his initial collection, which grew further with the assistance of his corporate staff.⁸¹ His steady collecting began in 1918, followed closely by the restoration of his boyhood home a year later. By 1922, Ford utilized his Ford Motor Company

⁷⁷ Kerr, "Ford, Henry, II," *American National Biography*, 230.

⁷⁸ Geoffrey C. Upward, ed., *A Home for Our Heritage: The Building and Growth of Greenfield Village and Henry Ford Museum, 1929-1979* (Dearborn, MI: The Henry Ford Museum Press, 1979), 97-98; and Bryan, *Henry's Attic*, 11.

⁷⁹ Upward, *A Home for Our Heritage*, 98; and Bryan, *Henry's Attic*, 11.

⁸⁰ Flink, "Ford, Henry," *American National Biography*, 230; and Miller, *Telling America's Story*, 33, 35.

⁸¹ H.F. Morton, *Strange Commissions for Henry Ford* (York, England: Herald Publishing Works, 1934), 2, 41.

staff and office correspondence to systematically collect artifacts, and organized his travels around searching for antiques.⁸² Starting in 1924, Henry Ford personally involved himself in collecting multiple days a week and a Company warehouse became the primary storage facility for his antiques.⁸³ While Abby Rockefeller, Henry du Pont, and other American philanthropists took part in collecting activity through the use of assistants and staff, their collecting interests differed. Mrs. Rockefeller focused on folk art, du Pont concentrated on decorative arts, and Henry Ford sought out American industrial artifacts. John D. Rockefeller, Jr., Abby Rockefeller, and others used museum professionals and antique experts for their collecting activity, while Henry Ford's collecting became synonymous with the use of his corporate staff to build collections that would later be utilized by his museums (most notably the Edison Institute).⁸⁴

From the beginning, the Ford Motor Company was integrated into Henry Ford's collecting and museum-building activity. It not only served as a headquarters for his work, but also supplied staff, materials, and processes for his collecting success. Henry Ford first received donations for his personal collections as "fan mail" delivered to his offices at the Ford Motor Company in Highland Park, Michigan.⁸⁵ His staff recalled a twelve foot by eight foot room near Henry Ford's office that they referred to as a "chamber of horror," where they stored Ford's artifacts sent from across the country.⁸⁶ While the staff hoped to dispose of many of these items

⁸² Allan Nevins and Frank Ernest Hill, *Ford: Expansion and Challenge, 1915-1933*, Vol. II (New York: Charles Scribner's Sons, 1957), 497.

⁸³ Upward, *A Home for Our Heritage*, 11; and James S. Wamsley, *American Ingenuity: Henry Ford Museum and Greenfield Village* (New York: Harry N. Abrams, Inc., 1985), 17.

⁸⁴ Suzanne Loebel, *America's Medicis: The Rockefellers and their Astonishing Cultural Legacy* (New York: HarperCollins Publishers, 2010), 190-192; Ruth Lord, *Henry F. du Pont and Winterthur: A Daughter's Portrait* (New Haven: Yale University Press, 1999), 188-189; Anders Greenspan, *Creating Colonial Williamsburg: The Restoration of Virginia's Eighteenth-Century Capital* (Chapel Hill, North Carolina: University of North Carolina Press, 2009), 9; Letter to Frank Partridge (London, England) from John D. Rockefeller, Jr., 12 July 1938, Folder 1348: Gifts, 1936-1956, Box 154, Colonial Williamsburg, Series E: Cultural Interests, Record Group 2: Office of the Messrs. Rockefeller records (OMR), Rockefeller Family Archives, Rockefeller Archive Center.

⁸⁵ "The Reminiscences of E. G. Liebold," Volume 11, Accession 65, Ford Motor Company Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029, 889.

⁸⁶ *Ibid.*

and clean up the space, Henry Ford insisted on keeping them, with the intention of creating a museum.⁸⁷

In Dearborn, Henry Ford heavily depended on his Ford Motor Company facility and staff to organize and maintain the centralized collections that would become the Edison Institute. As the collection grew, Ford moved it from his offices to Building 13, an empty tractor warehouse and assembly plant building attached to the Company's main engineering facility.⁸⁸ Henry Ford directed his staff to manage the collections from this location, including the development of exhibit layouts for the eventual Museum and Village spaces.⁸⁹ Although Henry and Clara Ford periodically assisted in organizing displays in Building 13, the staff provided the majority of labor in this endeavor, including serving as tour guides of the warehouse.⁹⁰ Henry Ford's personal secretary, Frank Campsall, offered additional guidance in Ford's decisions about artifacts and helped manage the extensive correspondence involved in collecting and shipping artifacts from around the world.⁹¹ Outside of this correspondence, the staff worked without a registration system or any other means of recording artifacts stored in Building 13.⁹² Some Company staff, including craftsmen from the automotive plants, assisted with restoration. Without training in historical restorations and museums, Henry Ford's staff used "a lot of horse sense" to complete their tasks and manage Ford's growing collections.⁹³ Even Mrs. Ford contributed to the collections in the Ford Motor Company buildings. She concentrated her efforts

⁸⁷ Ibid.; and Upward, *A Home for Our Heritage*, 7.

⁸⁸ Jeanine Head Miller and others, *Telling America's Story: A History of the Henry Ford*, ed. Judith E. Endelman and Wendy Metros (Virginia Beach, VA: Donning Company Publishers, 2010), 23, 29; and Upward, *A Home for Our Heritage*, 11.

⁸⁹ Miller, *Telling America's Story*, 29.

⁹⁰ Upward, *A Home for Our Heritage*, 13.

⁹¹ Ibid., 11; Ford R. Bryan, "Frank Charles Campsall," *Henry's Lieutenants* (Detroit: Wayne State University Press, 2003), 59-65; and Miller, "A Mechanism of American Museum-Building Philanthropy," 108-109.

⁹² Upward, *A Home for Our Heritage*, 11.

⁹³ Ibid.

on the cultural artifacts and household goods to create an exhibit for her own enjoyment.⁹⁴ The staff continued to work out of this facility well into the 1930s.⁹⁵

Following publicity of the Wayside Inn (and later the Edison Institute), Henry Ford received countless letters and telegrams about his collecting. In many cases, individuals offered to sell artifacts that they believed Ford would be interested in for his personal collection or museum.⁹⁶ Ford would regularly travel around the United States and Britain looking for other items that would catch his interest.⁹⁷ His journeys around Michigan, New England, London, and the British countryside resulted in many of his well-known acquisitions for the Museum and Greenfield Village.⁹⁸

Henry Ford personally asked one of his Ford Motor Company engineers in Britain, Herbert Morton, to help collect engines and other industrial artifacts from across England and Europe.⁹⁹ At that time, major companies throughout England and Europe were decommissioning old steam engines and replacing them with gas, oil, and electric systems. Ford sent Morton around the country to collect these historical artifacts.¹⁰⁰ Over the years, Ford expanded Morton's areas of collecting, including whole buildings, textile equipment, modes of transportation, and countless other artifacts that fit within the Institute's collections.¹⁰¹ In the initial conversation

⁹⁴ "The Reminiscences of Mr. Harold M. Cordell," Acc. #65., 53-55; and Miller, *Telling America's Story*, 29.

⁹⁵ Upward, *A Home for Our Heritage*, 11.

⁹⁶ Morton, *Strange Commissions for Henry Ford*, 41-42; and Nevins and Hill, *Ford: Expansion and Challenge*, 502.

⁹⁷ Morton, *Strange Commissions for Henry Ford*, 42, 59.

⁹⁸ *Ibid.*, 42-43, 47. Henry Ford and his staff found themselves competing for artifacts from the Smithsonian, the Metropolitan Museum of Art, and other museums across the country. During the 1920s, the Smithsonian proposed starting a Museum of Transportation, although it never became an independent facility. See W.W. Taylor Report for week ending 21 July 1928, Vol. IX (1928), W.W. Taylor Reports, Folder 1-9, Box 1, Accession #175, Edison Institute Collection, Benson Ford Research Center; W.W. Taylor Report for week ending 28 July 1928, Vol. IX (1928), W.W. Taylor Reports, Folder 1-9, Box 1, E.I. #175.

⁹⁹ Morton, *Strange Commissions for Henry Ford*, 1.

¹⁰⁰ Morton, *Strange Commissions for Henry Ford*, 7; and Miller, "A Mechanism of American Museum-Building Philanthropy," 67, 82, 87, 94, 115.

¹⁰¹ Morton, *Strange Commissions for Henry Ford*, 21, 50, 59; and Miller, "A Mechanism of American Museum-Building Philanthropy," 67, 82, 87, 94, 115.

with Morton, Ford set a loose budget of \$10 million to collect the best examples of these steam engines.¹⁰² With this significant investment in Morton's collecting, Ford expected his directions to be followed to the letter. He did not accept substitutes and would halt transactions through correspondence from his staff in Dearborn.¹⁰³ Even without formalized training in museums and collecting, Henry Ford remained highly engaged in building and managing his collections at the Edison Institute.

Henry Ford intended his collecting activity to serve as a form of historic preservation, saving old artifacts and structures from destruction so that others could see tangible evidence of industry's transformative influence over time. The costs of preserving old steam engines in England proved inconvenient to companies and owners, resulting in many taking advantage of Ford's offer to remove these engines and ship them to his museum in Michigan. While some local citizens objected, Morton indicated to them that they could keep these engines if they could properly maintain them. During years of economic depression between the World Wars, Ford instructed Morton to "leave untouched anything for which there was a real local regard [if] those who professed themselves interested would take proper steps to take care for the object."¹⁰⁴ Ford expressed surprise that the British and local governments and citizenry did not take an interest in preserving the engines and other artifacts. However, Morton and Ford discovered multiple cases in which local citizens could not raise sufficient funds for preservation efforts in their town. Ford's collecting ensured that those local artifacts could be preserved and shared with others.¹⁰⁵

Ford's success in his historic preservation activity came about, in part, due to his agreement to accept all costs and responsibility for the moving of structures and artifacts for his museum, as well as their shipment to Dearborn.¹⁰⁶ He sometimes offered modern replacements

¹⁰² Morton, *Strange Commissions for Henry Ford*, 7.

¹⁰³ *Ibid.*, 17.

¹⁰⁴ *Ibid.*, 11-12.

¹⁰⁵ *Ibid.*, 27.

¹⁰⁶ *Ibid.*, 27-28.

for historic structures and artifacts, providing the owners with valuable equipment in lieu of money.¹⁰⁷ In one case, a family wanted to barter a secretary desk with provenance to Ford's Wayside Inn for a new Ford car.¹⁰⁸

While some of Ford's acquisitions took months and even years to obtain and move to Dearborn, others came about quickly as a result of Ford's fame around the world.¹⁰⁹ During this period, many international museums relied on the generosity of individuals to give artifacts to institutional collections. Henry Ford's Edison Institute stands out for its founder's personal generosity and involvement on an unparalleled scale. Based on Ford's perception of the Institute's purpose and educational function, he created a surprisingly-comprehensive institution and collection.¹¹⁰

Ford's staff recognized that his depictions of historical sites proved overly clean and idealistic. While representing the lives of everyday people, his historical projects at both the Wayside Inn and, later, the Edison Institute sometimes presented an idealized history, in direct contrast to the "real history" that Ford set out to recreate.¹¹¹ Similarly, Ford's perception of historical value varied significantly from antiquities dealers and experts. In some cases, he vastly overpaid for items, purchased too many similar items, planned to refinish artifacts, and did not always care about authenticity, causing his staff and consulting experts to attempt to talk him out of it.¹¹² Henry Ford's autocratic leadership style ended such conversations, resulting in generally obedient organizations and staff, who did not argue against his hobby-like recreations of American history.¹¹³ While American museums professionalized rapidly throughout the

¹⁰⁷ Ibid., 54.

¹⁰⁸ Letter to E.J. Boyer from J.H. Cavanaugh, 18 June 1927, Vol. VII (1927), W.W. Taylor Reports, Folder 1-7, Box 1, E.I. #175; Letter to J.H. Cavanaugh from E.J. Boyer, 23 June 1927, Vol. VII (1927), W.W. Taylor Reports, Folder 1-7, Box 1, E.I. #175; and W.W. Taylor Report for week ending 2 July 1927, Vol. VII (1927), W.W. Taylor Reports, Folder 1-7, Box 1, E.I. #175.

¹⁰⁹ Morton, *Strange Commissions for Henry Ford*, 41-43.

¹¹⁰ Ibid., 64.

¹¹¹ "The Reminiscences of Mr. Harold M. Cordell," Acc. #65, 51-52.

¹¹² Ibid., 59-63, 65.

¹¹³ Ibid., 52.

twentieth century, Henry Ford's perspective of trained museum staff set the Edison Institute on a founder-led, rather than professional staff-dependent course in its earliest decades.

Wayside Inn: Ford's Beginning Foray into Museums

Henry Ford's move to create the Edison Institute was a decade in the making—resulting from years of personal collecting and several historic preservation projects. In 1919, Henry Ford began restoring his childhood home near Dearborn, which served as his first building restoration project.¹¹⁴ During this restoration, Ford became increasingly involved in collecting artifacts and preserving structures, laying the groundwork to establish a museum that illustrated the progression of American life and technology.¹¹⁵ Over the next decade, Ford's personal accumulation of rare artifacts and items had resulted in a sizable collection of materials. By the early 1920s, Henry Ford's antique collecting trips became sufficiently extensive that his wife questioned where he intended to store and display his artifacts. To her chidings, Henry Ford replied, "Well, I got to build a place for it."¹¹⁶ In a move foreshadowing the eventual development of a large-scale cultural institution in Dearborn, Ford purchased his first historical museum site, the Wayside Inn, in South Sudbury, Massachusetts in 1924.¹¹⁷

As early as 1922, Henry Ford began serious discussion of developing a museum or historical site in New England. Ford received assistance from W.W. Taylor, a known museum and antiquities expert, in developing a concept for this project.¹¹⁸ Taylor began his museum career overseeing the Phillips Andover Academy's Department of Archaeology, later serving as curator of the Harrison Gray Otis House (Boston, Massachusetts) and member of the Society for

¹¹⁴ Wamsley, *American Ingenuity*, 17; and Upward, *A Home for Our Heritage*, 3.

¹¹⁵ Wamsley, *American Ingenuity*, 27; and Upward, *A Home for Our Heritage*, 3.

¹¹⁶ Hayward S. Ablewhite Oral History Interview, 28 November 1962, Folder 3 - Ablewhite, Hayward S. – 1962–#3, Box 4–Hayward Ablewhite Reminiscences, 1940-1962, Accession #167- Oral Histories Memoirs Reminiscences, Edison Institute Collection, Benson Ford Research Center, 6.

¹¹⁷ Wamsley, *American Ingenuity*, 17.

¹¹⁸ "Museum of Early American Industry and Transportation," Vol. I (1923-1924), W.W. Taylor Reports, Folder 1-1, Box 1, E.I. #175.

Preservation of New England Antiquities.¹¹⁹ Based on the original proposal for the Wayside Inn, Taylor described an organization intended to “preserve the machinery and tools used in connection with early industrial activities and transportation.”¹²⁰ Taylor’s bias toward New England and the region’s impact on American development can be most closely seen in this document through his recommendation of developing a recreated historical New England village representing the period of 1740 to 1800. His plan depended on a network of hired-on antiquities collectors, who could find original artifacts from this period and region. Whether or not Henry Ford had already purchased the Wayside Inn property during the development of this document remains unclear. However, Taylor proposed several sites around the main Wayside Inn property for placement of buildings, mills, and collections.¹²¹ The proposal provided a conceivable means for Henry Ford to implement his living history model, testing a concept that would eventually be implemented at the Edison Institute in Dearborn, Michigan.¹²²

Ford purchased the Wayside Inn site, acquiring 90 acres and the original building before expanding his purchase to include 2,667 acres and relevant structures.¹²³ In 1928, Ford expanded the Inn site to include a school for boys, where they learned vocational skills in addition to their regular studies.¹²⁴

Henry Ford’s Wayside Inn project in South Sudbury, Massachusetts, served as the model on which he built operations at the Edison Institute.¹²⁵ Through the development of a significantly smaller historical site, Ford developed integral procedures for using Ford Motor Company personnel and hiring staff to specifically collect for his institution. Ford hired W.W.

¹¹⁹ “Former Collector For Ford Dies,” *Haverhill Gazette*, 2 August 1949; Seth W. Miller, e-mail message to author, 18 May 2010; and Miller, “A Mechanism of American Museum-Building Philanthropy,” 83, 119.

¹²⁰ “Museum of Early American Industry and Transportation,” Vol. I (1923-1924), W.W. Taylor Reports, Folder 1-1, Box 1, E.I. #175, 1.

¹²¹ *Ibid.*, 2-3.

¹²² *Ibid.*, 1, 4; and Wendell Garrett, “Henry Ford the Collector,” *A Home for Our Heritage*, ed. Geoffrey C. Upward, vii.

¹²³ Nevins and Hill, *Ford: Expansion and Challenge*, 498

¹²⁴ *Ibid.*, 499.

¹²⁵ Garrett, “Henry Ford the Collector,” *A Home for Our Heritage*, ed. Geoffrey C. Upward, vii.

Taylor and E.J. Boyer specifically to help with the Wayside Inn, including administering the site and collecting artifacts from throughout New England. Without formal training in museums or collecting, Frank Campsall, Harold Cordell, and other staff at Henry Ford's Company executive office periodically travelled to the site and handled all correspondence and some management responsibilities from Dearborn, in keeping with Henry Ford's expressed wishes.¹²⁶ W.W. Taylor wrote weekly reports of his collecting activity in New England and sent these documents back to the Dearborn office.¹²⁷ The staff based at Wayside Inn relied upon personnel and materials of the nearby branch offices of Ford Motor Company.¹²⁸ The Ford Motor Company staff played a particularly important role in crating artifacts and shipping them to Dearborn from Massachusetts.¹²⁹

Henry Ford periodically visited the Wayside Inn site and would travel along with W.W. Taylor and his other staff to acquire relevant artifacts.¹³⁰ Most of the time, Taylor and others pursued leads for artifacts based on correspondence sent to the Wayside Inn or Ford's Dearborn offices.¹³¹ Henry Ford's name remained largely unattached to many of the collecting ventures of Taylor and the other staff. They realized that wide-spread recognition of Ford's name and wealth would result in substantially higher prices for the antiques and structures that Ford wished them to purchase.¹³² Henry du Pont and other philanthropists and collectors of the time encountered

¹²⁶ Telegram to E.J. Boyer from Frank Campsall, 7 August 1928, Vol. IX (1928), W.W. Taylor Reports, Folder 1-9, Box 1, E.I. # 175; W.W. Taylor Report for 27 October 1925, Vol. III (1924-1925), W.W. Taylor Reports, Folder 1-3, Box 1, E.I. #175; and "The Reminiscences of Mr. Harold M. Cordell," Acc. #65, 53-54.

¹²⁷ W.W. Taylor Reports, Vol. I-Vol. XIV (1924-1931), Box 1-Folder1 through Box 2-Folder 3, E.I. #175.

¹²⁸ W.W. Taylor Report from 16 November to 5 December 1925, Vol. III (1924-1925), W.W. Taylor Reports, Folder 1-3, Box 1, E.I. #175.

¹²⁹ W.W. Taylor Report for 27 October 1925, Vol. III (1924-1925), W.W. Taylor Reports, Folder 1-3, Box 1, E.I. #175.

¹³⁰ Telegram to E.J. Boyer from Frank Campsall, 7 August 1928, Vol. IX (1928), W.W. Taylor Reports, Folder 1-9, Box 1, E.I. # 175.

¹³¹ Letter to W.W. Taylor from George W. Wells, 21 November 1928, Vol. IX (1928), W.W. Taylor Reports, Folder 1-9, Box 1, E.I. #175; W.W. Taylor Report from 16 November to 5 December 1925, Vol. III (1924-1925), W.W. Taylor Reports, Folder 1-3, Box 1, E.I. #175; Letter to Henry Ford from W.W. Taylor, 23 February 1924, Vol. I (1923-1924), W.W. Taylor Reports, Folder 1-1, Box 1, E.I. #175; and Nevins and Hill, *Ford: Expansion and Challenge*, 498-499.

¹³² "The Reminiscences of Mr. Harold M. Cordell," Acc. #65, 57-58.

similar challenges, many of which could be overcome through the use of pseudonyms.¹³³ Some of Ford's artifacts originated from the Wayside Inn or represented regionally and period-appropriate pieces. Later acquisitions from the region also included those intended for the Dearborn-based Edison Institute.¹³⁴ The number of the trips by Taylor, Cordell, and others to the Wayside Inn substantially decreased once that facility opened to the public. By then, Henry Ford utilized their services in collecting and organizing for his Edison Institute in Dearborn.¹³⁵

The Creation of the Edison Institute

Between 1919 and 1929, Ford's idea expanded from a museum that depicted pre-industrial America to an institution covering multiple historical periods and encyclopedic collections of American life and industry.¹³⁶ As part of his concept, Henry Ford developed the Edison Institute as a memorial to his best friend, Thomas Edison, furthering their life-long connection with the Institute and its work.¹³⁷

The Edison Institute originated as a site for Henry's personal collecting of American antiques and technology.¹³⁸ The collection quickly outgrew one of the Ford Motor Company tractor warehouses in Dearborn.¹³⁹ By 1926, Henry Ford developed the full concept of the Edison Institute to include both a museum of historical artifacts and an outdoor village (Greenfield

¹³³ Lord, *Henry F. du Pont and Winterthur*, 189.

¹³⁴ Letter to W.W. Taylor from George W. Wells, 21 November 1928, Vol. IX (1928), W.W. Taylor Reports, Folder 1-9, Box 1, E.I. #175; W.W. Taylor Report from 16 November to 5 December 1925, Vol. III (1924-1925), W.W. Taylor Reports, Folder 1-3, Box 1, E.I. #175; Letter to Henry Ford from W.W. Taylor, 23 February 1924, Vol. I (1923-1924), W.W. Taylor Reports, Folder 1-1, Box 1, E.I. #175; and Nevins and Hill, *Ford: Expansion and Challenge*, 498-499.

¹³⁵ "The Reminiscences of Mr. Harold M. Cordell," Acc. #65, 56.

¹³⁶ Nevins and Hill, *Ford: Expansion and Challenge*, 500.

¹³⁷ Allan Nevins and Frank Ernest Hill, *Ford: Decline and Rebirth, 1933-1962*, Vol. III, (New York: Charles Scribner's Sons, 1963), 506.

¹³⁸ Hayward S. Ablewhite Oral History Interview, 28 November 1962, Folder 3-Ablewhite, Hayward S.-1962-#3, Box 4-Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 6; and J.G. de Roulhac Hamilton, "The Ford Museum," *The American Historical Review* 36, no. 4 (Jul 1931): 773.

¹³⁹ Hayward S. Ablewhite Oral History Interview, 28 November 1962, Folder 3 - Ablewhite, Hayward S.-1962-#3, Box 4-Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 6; Wamsley, *American Ingenuity*, 17; and Hamilton, "The Ford Museum," *The American Historical Review*, 773-774.

Village) to preserve historic structures, with the first building arriving in 1927.¹⁴⁰ Ford built the Edison Institute on a plot of land adjacent to the Ford Motor Company's engineering facility, Building 13, and a short distance from his home, Fair Lane Estate.¹⁴¹ The Institute's museum appeared as an immense version of Philadelphia's Independence Hall, covering nine acres and including a 350,000-square-foot exhibit hall filled with machinery, decorative arts, and evidence of American industrial progress. Greenfield Village encompassed eighty acres and grew to include eighty-three historic buildings depicting American industry, famous inventors, and Ford's past, relocated from across America and several areas of Europe and organized around a village green.¹⁴²

In a similar fashion, wealthy American industrialists and other elites were active collectors of art and other artifacts prior to the Great Depression. In the years following, they donated many of these collections to private and public museums. During this period, these individuals created such renowned institutions as the Museum of Modern Art, the Whitney Museum of American Art, the Edison Institute, and Colonial Williamsburg, as well as giving significant collections to the National Gallery and Metropolitan Museum of Art.¹⁴³ Henry Ford's Museum and Greenfield Village and the Rockefeller family's Colonial Williamsburg represented a nationalistic perspective of American history, focusing both on the positive accomplishments of Americans and their innovation in addition to portraying images of self-reliant individuals and self-government.¹⁴⁴

¹⁴⁰ Wamsley, *American Ingenuity*, 17.

¹⁴¹ Miller, *Telling America's Story*, 35

¹⁴² Ibid., 35, 53; "About," *Greenfield Village*, The Henry Ford, <http://www.thehenryford.org/village/about.aspx>; and "About," *Henry Ford Museum*, The Henry Ford, <http://www.thehenryford.org/museum/about.aspx>.

¹⁴³ David C. Hammack, "Failure and Resilience: Pushing the Limits in Depression and Wartime," in *Charity, Philanthropy, and Civility in American History*, ed. Lawrence J. Friedman and Mark D. McGarvie (New York: Cambridge University Press, 2003), 276-277; and Eleanor L. Brilliant, *Private Charity and Public Inquiry: A History of the Filer and Peterson Commissions* (Bloomington, Indiana: Indiana University Press, 2000), 29

¹⁴⁴ Steven Conn, *Museums and American Intellectual Life, 1876-1926* (Chicago: University of Chicago Press, 1998), 187; and Hammack, "Failure and Resilience," *Charity, Philanthropy, and Civility in American History*, 277.

Henry Ford dedicated the Edison Institute on October 21, 1929, a celebration designed to coincide with the fiftieth anniversary of Thomas Edison's development of the incandescent light bulb.¹⁴⁵ Ford noted his intention for the museum to “assemble and exhibit, publish and disseminate historical, scientific, sociological and artistic information and to...advance the cause of education, whether general, technical, sociological or aesthetic....”¹⁴⁶ The events of the day culminated the Light's Golden Jubilee, a several-month-long, international, and multi-event anniversary tribute to Thomas Edison that brought together a committee that included Henry Ford, President Herbert Hoover, Jane Addams, Harvey Firestone, John D. Rockefeller, Jr., Julius Rosenwald, Franklin D. Roosevelt, and many other famous industrialists, politicians, and philanthropists.¹⁴⁷ As a result, the main celebration at the Edison Institute brought hundreds of world-renowned individuals to view Ford's historic village and museum.¹⁴⁸ During the events, Henry Ford's museum complex was featured as an institution that stood out among other museums nationally as a philanthropic initiative solely managed and funded by Henry Ford and his family.¹⁴⁹ He and his closest family members, Edsel and Clara Ford, served as the founders and original board members of the Institute.¹⁵⁰ However, despite the festivities and fanfare, great progress still needed to be made after the dignitaries left.

The Institute did not open to the public for nearly four years after the dedication, during which time Ford's staff worked diligently to grapple with the ever-growing collections and

¹⁴⁵ Nevins and Hill, *Ford: Expansion and Challenge*, 503.

¹⁴⁶ Contributions to The Edison Institute, 1933-1950, Folder – Contributions, Box 1, Accession #117, Edison Institute Collection, Benson Ford Research Center, 1.

¹⁴⁷ Letter to John D. Rockefeller, Jr., from John F. Quinlan (Executive Secretary, Light's Golden Jubilee), 17 September 1929, Folder 173, Box 20, Series Z.II: JDR, Jr., Personal Papers, Invitations, Lights Golden Jubilee, 1929-1936 (50th Anniversary of Edison Incandescent Lamp), Record Group 2: Office of the Messrs. Rockefeller records (OMR), Rockefeller Family Archives, Rockefeller Archive Center; and General Plans for Light's Golden Jubilee Celebration, Letter to John D. Rockefeller, Jr., from John F. Quinlan (Executive Secretary, Light's Golden Jubilee), 17 September 1929, Folder 173, Box 20, Series Z.II: JDR, Jr., Personal Papers, Invitations, Lights Golden Jubilee, 1929-1936 (50th Anniversary of Edison Incandescent Lamp), Record Group 2: Office of the Messrs. Rockefeller records (OMR), Rockefeller Family Archives, Rockefeller Archive Center.

¹⁴⁸ Nevins and Hill, *Ford: Expansion and Challenge*, 503-504.

¹⁴⁹ *Ibid*; and Upward, *A Home for Our Heritage*, 77.

¹⁵⁰ Contributions to The Edison Institute, 1933-1950, Folder – Contributions, Box 1, E.I. #117, 3.

organize exhibits within the newly-constructed facilities.¹⁵¹ Similar delays in providing public access to new museums occurred at other nonprofit museums during this time. For example, the Rockefeller family's restoration in Williamsburg, Virginia, also occurred gradually. As building restorations were completed, the public gained increasing access to Colonial Williamsburg's facilities.¹⁵²

Ford's museum proved to be a great challenge, due to its sheer size, scope, and architecture. Morton arrived in Dearborn in 1931, prepared to erect his many engines and other European-based artifacts within the new Museum structure.¹⁵³ Even within the extensive museum building, the massive size of some of Ford's collected objects presented challenges to his staff. When Morton and his team tried installing several of the engines within the building, they had to dig nearly to the structure's foundation to properly stabilize these mammoth technological artifacts, threatening the support beams and roof of the building. The Museum's architect and Morton eventually resolved the situation without Henry Ford's input, as he left for vacation in the middle of the project.¹⁵⁴ Over time, Ford's staff arranged the artifacts into thorough collections, representing the evolution of pre-industrial and industrial manufacturing and living.¹⁵⁵

Henry Ford utilized his personal staff at the Ford Motor Company to manage the Edison Institute's records and activity. Official records for the Institute began in March of 1927, although the organization was not incorporated and dedicated until 1929.¹⁵⁶ Ford and his fellow board/family members made monthly contributions to support the Institute.¹⁵⁷

¹⁵¹ Nevins and Hill, *Ford: Expansion and Challenge*, 504.

¹⁵² Greenspan, *Creating Colonial Williamsburg*, 35, 39.

¹⁵³ Morton, *Strange Commissions for Henry Ford*, 63.

¹⁵⁴ *Ibid.*, 38-39.

¹⁵⁵ *Ibid.*, 63-64.

¹⁵⁶ Contributions to The Edison Institute, 1933-1950, Folder – Contributions, Box 1, E.I. #117, 1, 3.

¹⁵⁷ *Ibid.*, 3.

The Edison Institute as a Reflection of Ford's Philosophical Beliefs

Over the years, many scholars and sources have identified a number of different ideas and motivations driving Henry Ford's concept for the Edison Institute. Ford believed in teaching people about history, particularly as it related to industry, agriculture, and transportation. His Institute proved to be the ideal means to share the multitude of artifacts that represented the evolution of these fields.¹⁵⁸ Through his collection, Henry Ford hoped to "'reproduce [American] life...in its every age.'"¹⁵⁹ As part of one of Henry Ford's preliminary concepts for the Institute, he proposed creating "a complete exposition [of] early American civilization, chronological and evolutionary exhibits of things they used in life...and in professions ... since the days of the Pilgrims."¹⁶⁰ He intended to develop a museum that preserved America's history, illustrating "'...as nearly as possible, the exact conditions under which they lived.'"¹⁶¹ In effect, Henry Ford's combination of artifacts and ideologies resulted in a positivist history that depicted industrial advancement in America.

Despite the implications of his supposed "history is bunk" quotation from the *Chicago Tribune*, Ford believed that history served as a practical piece of education.¹⁶² He wanted to show people "real history," exhibiting the physical evidence and progression of previous generations' lifestyles and technological achievements.¹⁶³ This concept provided the impetus for developing a museum open to the general public.¹⁶⁴ The concept of history also served as an important educational area that Ford felt children missed. He developed the school system as part of the Edison Institute to ensure that children could experience and interact with the material of

¹⁵⁸ Upward, *A Home for Our Heritage*, 3-4.

¹⁵⁹ *Ibid.*, 3

¹⁶⁰ "The Reminiscences of Mr. Harold M. Cordell," Acc. #65, 50-51.

¹⁶¹ Nevins and Hill, *Ford: Expansion and Challenge*, 499.

¹⁶² *Ibid.*, 497.

¹⁶³ *Ibid.*

¹⁶⁴ *Ibid.*

history. He placed the school's rooms directly within the museum complex, anchoring the students' learning with their experiences in and around the Institute.¹⁶⁵

During the development of the Edison Institute, W.W. Taylor, one of Henry Ford's staff members, created a full concept for a children's museum to augment the originally-planned museum in Dearborn. Based on similar collections-oriented children's museums in New England, he conceived this space as a means to use the Institute's excess collections and further students' ability to interact with, collect, and curate their own exhibits. With Henry Ford's concentration on practical education, Taylor imagined this facility as a base of operations from which children could explore the Institute's property and the nearby Rouge River for natural artifacts, in addition to the historical and scientific collections of the Institute. While this plan was never acted upon, it illustrated Ford's intent to build an educational and interactive facility, designed to further his ideas about education.¹⁶⁶

Ford's ties to American industrial growth provided one point of inspiration for the direction of the Edison Institute. To Ford, the progression of industry was important, and he sought to teach the general public the history of industry through the Institute's exhibits.¹⁶⁷ He recognized that industry brought great benefits to society, while also resulting in losses of well-established skills, technologies, and traditions. Ford envisioned the Edison Institute as one means to help restore and preserve some of the ideas and artifacts lost in the industrialized age.¹⁶⁸

Inspiration from Other Museums

Historically, America's philanthropic elite have concentrated their time and efforts on the development of cultural institutions, including museums.¹⁶⁹ In addition, the sheer wealth of

¹⁶⁵ "The Reminiscences of Charles Voorhess," Vol. II, Acc. #65, 138, 152.

¹⁶⁶ "Suggestions for a Children's Museum," W.W. Taylor Reports, Box 2, E.I. #175.

¹⁶⁷ "The Reminiscences of Edward J. Cutler," Vol. II, Acc. #65, 138.

¹⁶⁸ Nevins and Hill, *Ford: Expansion and Challenge*, 499.

¹⁶⁹ Lawrence J. Friedman, "Philanthropy in America: Historicism and Its Discontents," *Charity, Philanthropy, and Civility in American History*, 18.

newly-emerging industrialists provided them with the resources to single-handedly influence the creation and long-term support of large philanthropic institutions, including universities, museums, libraries, and hospitals.¹⁷⁰

Out of the rise of industry, the middle class, and disposable income, Americans and other western cultures became intrigued by the expansion of a material-based and consumer-focused society. Museums functioned as the knowledge centers within this culture, as they contained the objects most closely associated with learning about human culture and the natural world.¹⁷¹ The organization of museum exhibits revealed a “metanarrative of evolutionary progress.”¹⁷² From these institutions, the public learned a progressive and hierarchical perspective of the world.¹⁷³ Since the nineteenth century, elites used libraries and museums to educate lower classes in social norms and values.¹⁷⁴ With the increase in immigrants to the United States, museums became increasingly involved in Americanizing visitors. Through the use of objects, museum exhibits transcended language barriers to communicate scientifically-based knowledge to a public audience.¹⁷⁵

Over the years, many of Ford’s staff recognized the impact of other museums around the world on the Institute’s development. As the Edison Institute took shape and opened to the public, Henry Ford personally began to follow the development of Colonial Williamsburg. However, the Rockefeller’s restoration project in Virginia occurred primarily after Ford opened the Institute to the public. The timeframe of these historical projects coincided closely enough that Ford selectively used ideas from Williamsburg in making later additions and changes to Greenfield Village and its structures.¹⁷⁶

¹⁷⁰ Olivier Zunz, *Philanthropy in America: A History* (Princeton, New Jersey: Princeton University Press, 2012), 8-9.

¹⁷¹ Conn, *Museums and American Intellectual Life*, 13.

¹⁷² *Ibid.*, 5.

¹⁷³ *Ibid.*

¹⁷⁴ Thomas Adam, *Buying Respectability: Philanthropy and Urban Society in Transnational Perspective, 1840s to 1930s* (Bloomington: Indiana University Press, 2009), 37.

¹⁷⁵ Conn, *Museums and American Intellectual Life*, 6.

¹⁷⁶ “The Reminiscences of Mr. Harold M. Cordell,” Acc. #65, 70-71.

During the first decades of the twentieth century, philanthropists became increasingly interested in supporting art museums, specifically to present aesthetics to a public audience.¹⁷⁷ Previous generations created public art institutions to educate industrial manufacturers in an appreciation of the arts, establishing the South Kensington Museum in London and the Louvre in Paris. These institutions added industrial crafts to the typical collections of art museums.¹⁷⁸

The industrial elite of Germany and the United States became increasingly involved in the creation of these institutions during the late nineteenth and early twentieth centuries based on the “civilizing spirit of art” and the need for aesthetic knowledge among potential consumers.¹⁷⁹ For example, Leipzig’s Applied Art Museum, created in 1868, was particularly designed as a “mediating place between art and industry,” able to cultivate taste in visitors and craftsmen.¹⁸⁰ Similar American museums focused on art, industrial design, and science also helped to promote the nation’s economic success based on the patronage of industrial elite.¹⁸¹

The American elite created public art institutions, primarily based on such model institutions as the South Kensington Museum and the Louvre.¹⁸² These institutions added industrial crafts to the typical collections of art museums.¹⁸³ South Kensington included multiple museums that presented both art and science, as well as their intersection in the field of industrial design.¹⁸⁴

Industrial art and design combined nationalistic production with elevating public taste and aesthetic knowledge.¹⁸⁵ The field was designed to benefit national taste in manufactured

¹⁷⁷ Karsten Borgmann, “‘The Glue of Civil Society’: A Comparative Approach to Art Museum Philanthropy at the Turn of the Twentieth Century,” in *Philanthropy, Patronage, and Civil Society: Experiences from Germany, Great Britain, and North America*, ed. Thomas Adam (Bloomington, Indiana: Indiana University Press, 2004), 37.

¹⁷⁸ Ibid.

¹⁷⁹ Ibid.; and Adam, *Buying Respectability*, 108.

¹⁸⁰ Adam, *Buying Respectability*, 109.

¹⁸¹ Ibid.

¹⁸² Conn, *Museums and American Intellectual Life*, 194-195.

¹⁸³ Borgmann, “‘The Glue of Civil Society,’” *Philanthropy, Patronage, and Civil Society*, 37.

¹⁸⁴ Conn, *Museums and American Intellectual Life*, 196.

¹⁸⁵ Ibid.

goods, as well as to increase British corporations' profits.¹⁸⁶ The South Kensington Museum and other institutions that used it as a model sought to combine industrial functionality of technological innovation with the aesthetic and artistic elements typically found within art museums.¹⁸⁷ In addition, the aesthetic of American manufactured goods were seen as being far behind the work of European nations. As a result, American art museums sought to include industrial art and design as a necessary addition to their collections. They hoped to improve the design standards and industrial education for American manufacturers and consumers.¹⁸⁸

One of Henry Ford's staff members compared the plan for the Edison Institute as being most similar to the "British Science Museum at South Kensington," due to its extensive collection of industrial artifacts. According to Ford, the United States did not have such a museum and he wished to establish one.¹⁸⁹ Established in 1853, the Science Museum in London included such collections as engines, transportation, industrial machinery, scientific instruments, and structural construction.¹⁹⁰ The museum exhibited the great engineering and scientific innovations, as well as modern products loaned by manufacturers and individuals.¹⁹¹ Unlike Henry Ford's Edison Institute, the Science Museum at South Kensington received most of its support from the British government.¹⁹² In later years, one of Ford's staff members claimed that the Edison Institute surpassed the London-based museum.¹⁹³

Ford and his staff planned to utilize models similar to those created for use in the Deutsches Museum of Munich.¹⁹⁴ Dr. Oskar von Miller established the Deutsches Museum in 1903 to collect the history of technology, mechanical evolution, and the natural sciences.¹⁹⁵ With

¹⁸⁶ Ibid., 197.

¹⁸⁷ Ibid.

¹⁸⁸ Ibid., 199-200.

¹⁸⁹ Morton, *Strange Commissions for Henry Ford*, 1, 7.

¹⁹⁰ Charles R. Richards, *The Industrial Museum* (New York: The Macmillan Company, 1925), 12, 14-15.

¹⁹¹ Ibid., 15-16.

¹⁹² Ibid., 17.

¹⁹³ Morton, *Strange Commissions for Henry Ford*, 68.

¹⁹⁴ "The Reminiscences of Mr. Harold M. Cordell," Acc. #65, 63-64.

¹⁹⁵ Richards, *The Industrial Museum*, 20.

the help of the city of Munich and Germany's national government, as well as the nation's industrialists, the Deutsches Museum eventually erected a building in 1913. Due to the First World War, the exhibits were not completed until 1925. Julius Rosenwald visited the Deutsches Museum with his children and used it as a model for the museum he collaborated on with other manufacturers and industrialists in his hometown of Chicago.¹⁹⁶ Through visits to the Rosenwald Museum (now the Museum of Science and Industry in Chicago), Ford's staff discovered that much of the models and industrial ideas they appreciated from Munich were already being implemented in the United States.¹⁹⁷

The Edison Institute evolved similarly to its European peers, while also seeking inspiration from these museums' development. In the early part of the twentieth century, ideas from European museums rapidly moved to the United States, including the concept of "industrial museums."¹⁹⁸ The Deutsches Museum in Munich, Germany; Science Museum in London; and several other European institutions served as the most well-established, recognized, and benchmarked industrial museums in the world.¹⁹⁹ These institutions set out to depict industrial progress, including its impact on modern life, similar to Ford's Edison Institute.²⁰⁰ Industrial museums' collections included the equipment for agriculture, mining, and communication, to particularly exhibit the evolution of inventions and machinery from the nineteenth and twentieth centuries.²⁰¹

In 1925, Charles Richards, then director of the American Association of Museums (AAM), called for the creation and expansion of industrial museums in the United States.²⁰² He claimed that "...unless the great mass of our people have some knowledge of the inventions and

¹⁹⁶ Coleman, *The Museum in America*, 94; and Adam, *Buying Respectability*, 14.

¹⁹⁷ "The Reminiscences of Mr. Harold M. Cordell," Acc. #65, 63-64; and Coleman, *The Museum in America*, 94.

¹⁹⁸ Richards, *The Industrial Museum*, 2, 47-48.

¹⁹⁹ *Ibid.*, 6; Adam, *Buying Respectability*, 14, 17; and Conn, *Museums and American Intellectual Life*, 196-198.

²⁰⁰ Richards, *The Industrial Museum*, 2.

²⁰¹ *Ibid.*, 4.

²⁰² *Ibid.*, 47-48.

methods upon which our industrial order is based, we will lack the maximum stimulation toward further conquests in this field.”²⁰³ Richards specifically requested that the great industrial cities of America, including Detroit, establish similar museums.²⁰⁴

Within Richard’s seminal book on industrial museums, he outlined the requirements of a successful institution in America. Many of his suggestions appeared in Ford’s Edison Institute, including the use of the European museums as models and the Institute’s reliance on Ford’s connections in engineering, industry, and sciences.²⁰⁵ Specifically, Ford chose to emphasize the history of agriculture, industry, and transportation over its modern application within his Institute.²⁰⁶

The Edison Institute's Operations

The Edison Institute opened its doors to invited guests in October 1929 for its dedication.²⁰⁷ Its operations relied on the leadership of Henry Ford and his small group of dedicated corporate staff in its earliest years of operation. The general public began visiting the Edison Institute in the end of June 1933, almost four years after the facility’s dedication.²⁰⁸ Construction continued in sections of the Museum and Village property during the Institute’s early years of operation.²⁰⁹

Henry Ford did not intend to make a profit from the Institute’s admission fees. Its earliest school groups had free admission, while adults paid 25 cents and children 10 cents. The total cost of each Institute visitor was approximately five dollars during this period.²¹⁰ In comparison, John D. Rockefeller Jr.’s Colonial Williamsburg had an admission fee of \$1.25 per

²⁰³ Ibid., 47-48.

²⁰⁴ Ibid., 48.

²⁰⁵ Ibid., 51.

²⁰⁶ Coleman, *The Museum in America*, 93-94.

²⁰⁷ Miller, *Telling America’s Story*, 75.

²⁰⁸ Ibid.

²⁰⁹ Ibid.

²¹⁰ Ibid., 77.

person, contributing \$75,000 annually to the organization's total revenue.²¹¹ The Institute's attendance fluctuated, in part due to economic and political events. During its first recorded year, paid attendance reached 243,000 visitors. Although 633,000 attended in the year prior to World War II, numbers dipped to 178,000 annually during the war. Eventually, annual attendance reached a million visitors by 1960.²¹²

Henry Ford's incredibly active involvement in the Edison Institute's formation and operations during his lifetime led to the development of a long-term funding strategy for the organization that varied significantly from those implemented in other American museums. His Institute relied, almost solely, on his personal philanthropy.²¹³ The Institute's reliance on Henry Ford's personal leadership and funding resulted in the absence of fundraising practices and fiscal safeguards being established during the organization's early years. In general, Henry Ford did not express concern about the enormous cost of his collecting and museum-building activity. He believed in the importance of his Institute and the good that it could achieve for the people who would see it.²¹⁴ Henry Ford admitted that the Edison Institute would "never pay for itself. But...you can't beat it as indirect advertising [for the Ford Motor Company.]"²¹⁵ He perceived his personal and corporate interests in the organization to be inexplicably bound to his philanthropy. His philanthropic strategy regarding the Institute provided a means for his unprecedented gifts and involvement in its creation.

In the 1930s, Laurence Coleman described, in his widely read *The Museum in America*, the insufficiencies of museums' income and the importance of relying on multiple funding sources. He explained how young organizations gained support from gifts, before diversifying

²¹¹ Greenspan, *Creating Colonial Williamsburg*, 42.

²¹² David L. Lewis, *The Public Image of Henry Ford: An American Folk Hero and His Company* (Detroit: Wayne State University Press, 1987), 280.

²¹³ Miller, *Telling America's Story*, 77.

²¹⁴ William Greenleaf, *From These Beginnings: The Early Philanthropies of Henry and Edsel Ford, 1911-1936* (Detroit, MI: Wayne State University Press, 1964), 107.

²¹⁵ Lewis, *The Public Image of Henry Ford*, 278.

into government funding and building an endowment. In addition, many of these institutions relied on the sales of publications, admission, and individual memberships.²¹⁶ Individual contributions primarily originated from memberships, which served as a significant source of income for many museums. Through the memberships or dues paid to these institutions, thousands of individuals provided small gifts toward the support of these museums.²¹⁷ Memberships functioned as an additional, sustainable source of museum income that could outlast the whims of individual large donations. Overall, museum professionals and administrators recognized that multiple sources provided the most financial stability for an organization.²¹⁸

During the Edison Institute's early years, American income tax laws proved advantageous for Henry Ford to personally contribute to the financial needs of the Institute. He could deduct up to 15 percent of his annual income for charitable donations, while utilizing his staff in the executive offices of the Ford Motor Company to help with the Institute's financial responsibilities.²¹⁹ Henry Ford personally covered the bulk of the Institute's operating expenses, offsetting the loss from the small admission fee charged to visitors.²²⁰ Prior to the Ford family's establishment of the Ford Foundation in 1936, Henry Ford personally contributed \$10,407,708 to the Edison Institute and an additional \$23 million to construct its facilities.²²¹ In comparison, the American Association of Museums approximated that all museums nationally received \$13 million in 1935 and \$18 million in 1938.²²² Although Ford's provisions for the Edison Institute spanned multiple years, his gifts made up a significant portion of the total income of museums across the United States.

²¹⁶ Coleman, *The Museum in America*, 177-179, 182-183.

²¹⁷ *Ibid.*, 182-183.

²¹⁸ *Ibid.*, 177.

²¹⁹ "The Reminiscences of E. G. Liebold," Vol. 11, Acc. #65, 899.

²²⁰ Greenleaf, *From These Beginnings*, 106-107.

²²¹ *Ibid.*, 107.

²²² Coleman explained that the mid-1930s numbers showed a slight decrease nationally due to the Great Depression. See Coleman, *The Museum in America*, 180.

Eventually, the size and scope of the Institute's financial needs required a more substantial fundraising system than the personal philanthropy of Henry Ford and the accounting system based at the Ford Motor Company.²²³ In addition, changes in federal income and inheritance tax laws proved unfavorable for Henry Ford to continue personally giving to his philanthropic interests in the manner that he had done so previously.²²⁴ As more federal taxes were levied on Henry Ford's income, Ford and his staff estimated that the Institute received only 20 to 30 percent of his original monetary donation.²²⁵ Edsel, Henry, and Clara Ford eventually created the Ford Foundation to partially address this challenge. It served as a means to minimize Ford's personal tax expenses, while also providing a structured organization to perpetually fund the family's philanthropic activities, including the Edison Institute and Henry Ford Hospital.²²⁶ Once the Ford family developed the Ford Foundation to systematize their giving, the Institute's support transferred to the Foundation. Henry Ford's office staff also discontinued accounting responsibilities for the Institute at this time.²²⁷

Relationship with Ford Motor Company

From Henry Ford's earliest plans, the Edison Institute heavily relied on the infrastructure and support of the Ford Motor Company. His leadership over both the Company and Institute resulted in similar leadership structures and interconnected activity at both sites. Located in the middle of Company's property, the Edison Institute depended on Henry Ford's system of Company-based staffing, utilities, and facilities.²²⁸ This relationship has caused ongoing

²²³ "The Reminiscences of E. G. Liebold," Vol. 11, Acc. #65899.

²²⁴ "The Reminiscences of E. G. Liebold," Vol. 16, Acc. #65, 1451.

²²⁵ Greenleaf, *From These Beginnings*, 107.

²²⁶ "The Reminiscences of E. G. Liebold," Vol. 16, Acc. #65, 1451.

²²⁷ "The Reminiscences of E. G. Liebold," Vol. 11, Acc. #65, 899.

²²⁸ See Appendix C for maps of the Institute property in relation to the Ford Motor Company. Miller, *Telling America's Story*, 67.

confusion with present-day visitors, who question the Company's support or ownership of the Institute.²²⁹

In the years prior to Clara Ford's death in 1950, the Ford Motor Company provided "various materials, services, and utilities such as steam, water, grain, telephone and telegram, fire inspection, photography, electricity, coke [coal], gas, etc." to the Edison Institute at the rates of any Company division.²³⁰ Eventually, the Company's Executive Committee determined that the Ford Motor Company would donate these services as a form of "Company-type contribution" totaling up to \$125,000 for the year of 1950.²³¹ In addition, Ford dealers donated a seventeenth-century windmill to the Institute in 1936.²³²

The Edison Institute served as an adjacent, but distinctly separate, institution from the Ford Motor Company. The Institute functioned as a means for Henry Ford to gradually transition his time and attention away from his company, providing Edsel with increased opportunity to gain experience and leadership over the Company.²³³ While Henry Ford continued to be a regular presence at the Company offices, the Institute proved to be the primary recipient of his leadership and attention to detail.²³⁴

As counsel for both the Ford Motor Company and the Ford family, Clifford Longley, recommended that the Institute be further separated from the Company.²³⁵ As a nonprofit designed to provide education for the public good, he recognized that the Edison Institute

²²⁹ Ibid.

²³⁰ Memorandum, "Contribution to Edison Institute," from A. W. Merrell (Chairman, Contributions Committee, Ford Motor Company) to A.C. Otterman, K.D. Cassidy, S.J. Gillen, E.J. Willert, and J. Sluiter, 11 December 1950, Folder – Correspondence A-G, 1950, Box 1 – Office Files, Emil Ulbrich Executive Files, Accession #115, Edison Institute Collection, Benson Ford Research Center..

²³¹ Ibid.

²³² Upward, *A Home for Our Heritage*, 111.

²³³ "The Reminiscences of E. G. Liebold," Vol. 15, Acc. #65, 1371; and Collier and Horowitz, *The Fords*, 123.

²³⁴ "The Reminiscences of E. G. Liebold," Vol. 15, Acc. #65, 1371.

²³⁵ Letter Re: Edison Institute to B.J. Craig (Ford Motor Company) from Bodman, Longley, Bogle, Middleton and Farley (Detroit, Michigan), 9 November 1937, Folder – Edison Institute, Box 18, Frank Caddy Executive Files, Accession #57, Edison Institute Collection, Benson Ford Research Center.

appeared much too closely connected to the Ford Motor Company.²³⁶ Longley's recommendation to further separate the Institute's activities from the Company foreshadowed widespread confusion over the Institute's charitable purposes and its relationship with the Ford family's other enterprises.²³⁷

Edison Institute Staff

For both the Edison Institute and the future Ford Foundation, Henry Ford implemented a staffing model that hired employees and appointed board members closely affiliated with the Ford family and Ford Motor Company. Henry's wife and son served as board members and advisors to the project.²³⁸ In addition, many of the Edison Institute's staff came directly from the Ford Motor Company, Henry Ford's executive office, or other projects directed by the elder Ford.²³⁹ Henry employed informal organizational structures within the Edison Institute; oftentimes choosing people he knew over trained professionals to ensure that staff would follow his wishes.²⁴⁰ With this practice, he established a leadership culture at the Edison Institute similar to the Ford Motor Company—an autocratic system that required staff to be heavily dependent on Ford's vision and day-to-day guidance.²⁴¹

According to Institute and Company staff, Henry Ford's ideas and interests prevailed as the underlying purpose and direction of the Museum and Village.²⁴² The hiring of museum professionals and implementation of such methods only came about after Henry Ford's death in April 1947.²⁴³ In comparison, Edsel Ford preferred the use of experts and highly-qualified professionals within the Company. However, Edsel died before his father and therefore Edsel's

²³⁶ Ibid.

²³⁷ Ibid.

²³⁸ Upward, *A Home for Our Heritage*, 24.

²³⁹ Ibid., 96.

²⁴⁰ Ibid.; and Francis X. Sutton, "The Ford Foundation: The Early Years," *Daedalus* 16, no. 1 (Winter, 1987), 44.

²⁴¹ Henry Mintzberg, "Power and Organization Life Cycles," *Academy of Management Review* 9, no. 2 (1984): 214; and Upward, *A Home for Our Heritage*, 4.

²⁴² "The Reminiscences of E. G. Liebold," Vol. 11, Acc. #65, 901.

²⁴³ See chapter three for a discussion of the impact of Henry Ford's death. Upward, *A Home for Our Heritage*, 77.

ideas and leadership style did not take root at the Edison Institute.²⁴⁴ Instead, the employment of professionalized staff waited until Henry Ford II and Henry Ford's other grandsons joined the Edison Institute board.²⁴⁵

Henry Ford's personal staff at the Ford Motor Company served in varying capacities during the Institute's early history. Harold Cordell assisted with correspondence and organizing artifacts in Building 13 in his capacity as secretary in Henry Ford's office.²⁴⁶ Likewise, Ernest Liebold, general secretary to Henry Ford, was in charge of non-corporate-related business activity and helped to coordinate the immense dedication events held in 1929.²⁴⁷ Frank Campsall maintained much of Henry Ford's correspondence regarding Ford's early collecting of American and European antiquities and machinery, as an extension of his responsibilities as Ford's personal secretary at the Company. He eventually gained increased responsibilities at the Institute, serving as the supervisor over all personnel and purchases before joining the Institute's board of trustees in 1938.²⁴⁸

The Edison Institute's early staff originated from diverse backgrounds. However, many of these men shared a common history working for Ford's various enterprises. James Humberstone served as the first designated museum director. He received his education at Ford's school at Wayside before moving to Greenfield Village to live and work. Fred Smith succeeded him, after serving as a laborer for the Ford farms.²⁴⁹ Ray Dillinger, the general manager of the Ford farms, took over the Village's management, serving in that capacity until Clara Ford's

²⁴⁴ See chapter three for a discussion of the impact of Edsel Ford's death in May of 1943. Sutton, "The Ford Foundation," *Daedalus*, 44.

²⁴⁵ *Ibid.*

²⁴⁶ Upward, *A Home for Our Heritage*, 24; and Bryan, *Henry's Lieutenants*, 295, 304.

²⁴⁷ "The Edison Institute," Folder – Subject File – 1934 – Edison Institute, Box 221, Accession 6, Edsel B. Ford Office Papers, 1903-1945, Benson Ford Research Center.; Upward, *A Home for Our Heritage*, 24, 176; and Bryan, *Henry's Lieutenants*, 310.

²⁴⁸ "The Edison Institute," Folder – Subject File – 1934 – Edison Institute, Box 221, Acc. #6; Upward, *A Home for Our Heritage*, 24, 176; and Bryan, *Henry's Lieutenants*, 59.

²⁴⁹ Upward, *A Home for Our Heritage*, 24, 96, 127; "The Reminiscences of Charles Voorhess," Vol. II, Acc. #65, 176-177; and Nevins and Hill, *Ford: Expansion and Challenge*, 505.

death.²⁵⁰ Hayward Ablewhite transferred from the Company's Sociological division to serve as the director of the Museum in the late 1940s, before taking over the Village at the request of the Ford Foundation's leadership.²⁵¹ Frank Caddy received his education through the Henry Ford Trade School before being employed by the Institute in various finance and accounting positions starting in the 1930s. He eventually joined the board and became the Institute's president in the 1970s.²⁵²

Other Ford staff also became closely involved in the Institute's development. Fred Black, the Company's advertising manager, assisted with coordinating the museum's construction before serving as director and trustee of the Institute.²⁵³ Edward Cutler, the primary architect for Greenfield Village, started off as a Ford Motor Company draftsman before Henry Ford recruited him to design structures and coordinate efforts in the Village.²⁵⁴ In comparison, Robert Derrick, the Museum's architect, came from a separate architectural firm at the recommendation of Edsel.²⁵⁵ Derrick's hiring illustrated the significant difference between Edsel and Henry's preferences in hiring professional versus obedient staff. In future years, the Institute's staff became increasingly more independent from the Ford Motor Company as Henry Ford's method of leadership was replaced by one that engaged professionals.

Early Attempts to Professionalize the Institute

While Henry Ford primarily depended on non-professional staff to operate his museum activity, one museum-trained staff member attempted to professionalize the Institute's operations. Ford's staff hired W.W. Taylor, who helped with the Wayside Inn project, to assist with collecting and organizing for the Edison Institute based on his background working with

²⁵⁰ Bryan, *Henry's Lieutenants*, 90; Upward, *A Home for Our Heritage*, 24, 96, 127; "The Reminiscences of Charles Voorhess," Vol. II, Acc. #65, 176-177; and Nevins and Hill, *Ford: Expansion and Challenge*, 505.

²⁵¹ Upward, *A Home for Our Heritage*, 24, 96, 127; "The Reminiscences of Charles Voorhess," Vol. II, Acc. #65, 176-177; and Nevins and Hill, *Ford: Expansion and Challenge*, 505.

²⁵² Upward, *A Home for Our Heritage*, 127.

²⁵³ *Ibid.*, 24.

²⁵⁴ *Ibid.*, 8.

²⁵⁵ *Ibid.*, 24.

museums and historical organizations in New England. His work continued long after the Museum's dedication in 1929 and into the 1930s, as he and other staff members sorted through the extensive collections and determined the best way to group artifacts into coherent and comprehensive exhibits.²⁵⁶

During his tenure at the Institute, Taylor regularly made suggestions to improve the organization and its collections. In one of his regular reports to Ford's staff in Dearborn, Taylor recommended the need for a catalog and numbering system. He explained that during the five years he had worked with the collection, he saw many artifacts pass through the Ford warehouse doors. With more items being added each day, he worried about the challenge of remembering the provenance of every single item without a written system in place.²⁵⁷ Similarly, another one of Taylor's reports outlined the need and means to develop a system of museum cases and storage for the Institute's collections. Based on storage systems used in New England-based museums, the recommended cases had some limitations for larger objects, which made up a significant portion of the Institute's collections.²⁵⁸ While Taylor made multiple suggestions for professionalizing the Institute, many of his recommendations remained unimplemented. Henry Ford depended upon a staff willing to carry out his every whim, which included perpetuating collecting and exhibiting practices that proved unconventional. Whether or not Ford sought to implement Taylor's professionalized methods, the reality of the Institute's collections and management procedures proved to be unlike anything Taylor had encountered in the museums of New England.

²⁵⁶ Report from W. W. Taylor, 9 January 1931, Vol. XIII (1930-1931), W.W. Taylor Reports, Folder 2-2, Box 2, E.I. #175; W.W. Taylor Report for week ending 19 November 1927, Vol. VII (1927), W.W. Taylor Reports, Folder 1-7, Box 1, E.I. #175; and "The Edison Institute," Folder – Subject File – 1934 – Edison Institute, Box 221, Acc. #6.

²⁵⁷ Report from W. W. Taylor, 29 April 1931, Vol. XIII (1930-1931), W.W. Taylor Reports, Folder 2-2, Box 2, E. I. #175.

²⁵⁸ "Special Report on Museum Cases and Storage Racks," W.W. Taylor Reports, Box 2, E.I. #175.

Commentary about the Edison Institute

Within several years of the Institute's dedication, Henry Ford had summarized his collecting and museum-building philosophy for the Edison Institute: "At Dearborn we have gathered specimens of nearly all the articles that have been used in this country since its settling, with the thought of assembling them so that anyone who cares to discover what the people of any past generation commonly used ... will have only to go to the proper wing of the museum ... and there see every household article, every kind of vehicle, every sort of tool. One may review the common household articles from the handicraft stage, through the hand and machine stage, to the machine stage, and then through the progress of machine work."²⁵⁹

H.F. Morton, a Ford Motor Company employee and collector for Ford's European collections, claimed that another institution similar to the Edison Institute could never be achieved again. Henry Ford's personal leadership in building the Institute and its collection served as a unique factor of the organization, to an extent not attempted by other philanthropists or at other museums.²⁶⁰ The Edison Institute developed out of Ford's personal ideas regarding how the Museum and Village should be organized. He preferred clusters of buildings over a recommended chronological arrangement and maintained informal collection and organizational methods in the Museum throughout his lifetime. Overall, he avoided hiring museum professionals who sought to move the Institute away from his vision.²⁶¹

During the early years of the Institute, some individuals provided awe-inspired reviews. In 1931, J.G. De Roulhac Hamilton wrote a review for the *American Historical Review*, in which he described the value and extent of Ford's collection and facilities. The sheer scope of the collections offered unprecedented opportunities for exhibitions, while the Village and Museum building provided extensive facilities in which these artifacts could be displayed. Reviewers

²⁵⁹ Nevins and Hill, *Ford: Expansion and Challenge*, 501.

²⁶⁰ Morton, *Strange Commissions for Henry Ford*, 68-69.

²⁶¹ Upward, *A Home for Our Heritage*, 77.

recognized that Henry Ford's initial collections and exhibits would serve as the earliest stages of the Institute's evolution. Hamilton and others' recommended that the Institute eventually hire professionals to contribute expertise and further expand the collection.²⁶²

Other experts provided scathing critiques of the Institute. The sheer scale and breadth of the Institute's collections proved to be a challenge in building well-developed displays. Keith Sward, author of *The Legend of Henry Ford* (1948), critiqued Ford's museum as being incohesive in its focus: "It is this striving for sheer mass and for "something of everything" that sets off the Ford collection from such an institution as the great Deutsches Museum of Munich... [which] provides a cohesive and magnificent history of science and technology. By contrast, the Edison Museum is a hodge-podge, despite its core of excellent restorations. It has the appearance of an Old Curiosity Shop, magnified 10,000-fold."²⁶³ However, Charles Richards of the American Association of Museums indicated in his book on industrial museums that the Deutsches Museum suffered from the opposite problem but brought similar results as the Edison Institute. He claimed that the enormity of the Deutsches Museum's exhibits and collections would prove too much for a typical visitor and representations should be used in lieu of comprehensive displays.²⁶⁴ As a result, the Edison Institute proved similar to one of the primary museums on which it was modeled.

In regards to Greenfield Village, museum professionals nationwide expressed their displeasure at Henry Ford's methods of historic preservation, specifically in regards to his relocating buildings to an artificial site. While many organizations created historic house museums, Greenfield Village functioned as one of the few institutions that removed structures from their original context for exhibition. Laurence Coleman of the American Association of

²⁶² Hamilton, "The Ford Museum," *The American Historical Review*, 775; and Lewis, *The Public Image of Henry Ford*, 278.

²⁶³ As quoted in Nevins and Hill, *Ford: Expansion and Challenge*, 505. Authors and scholars have questioned the historical accuracy of Keith Sward's *The Legend of Henry Ford*, in part due to his significant bias against Henry Ford's corporate and philanthropic actions. See *Ibid.*, 185, 329, 457.

²⁶⁴ Richards, *The Industrial Museum*, 53.

Museums explained that although similar efforts had been made in Europe, the United States' landscape and culture proved too diverse to properly accommodate and contextualize relocated buildings within a different location.²⁶⁵ In comparison, these same professionals celebrated John D. Rockefeller, Jr.'s efforts in restoring and reproducing the structures of Colonial Williamsburg. They recommended Colonial Williamsburg, over Greenfield Village, as the model on which other village-type museums be created.²⁶⁶

Conclusion

The Edison Institute most typified Henry Ford's philanthropy, serving as the recipient of the most time, money, and care of any of his philanthropic ventures.²⁶⁷ In addition, the Edison Institute exemplified Henry's autocratic leadership style in which he relied upon himself over other consultants and committee-based decision-making.²⁶⁸ Henry Ford, quite simply, did not believe in charity or "alms-giving," as he termed it.²⁶⁹ During the 1920s, he emphasized the importance of hard work, self-sufficiency, and continual innovation, characteristics he believed to be severely lacking in endowments and foundations used by the John D. Rockefeller and Andrew Carnegie.²⁷⁰ Instead, Henry Ford concentrated on supporting the charitable entities that he himself created, including the Edison Institute, Wayside Inn, and Henry Ford Hospital.²⁷¹ These institutions provided the optimal opportunity for him to implement his philanthropic ideals.²⁷² Rather than developing highly-systematized and professionalized organizations, he created these institutions to serve the general good within the confines of his own founding leadership.²⁷³ As a

²⁶⁵ Coleman, *The Museum in America*, 73.

²⁶⁶ *Ibid.*, 73-74.

²⁶⁷ Greenleaf, *From These Beginnings*, 72, 110-111.

²⁶⁸ *Ibid.*, 106-107; and Mintzberg, "Power and Organization Life Cycles," 214.

²⁶⁹ Nevins and Hill, *Ford: Expansion and Challenge*, 493; and Greenleaf, *From These Beginnings*, 5.

²⁷⁰ Nevins and Hill, *Ford: Expansion and Challenge*, 493-494; and and Greenleaf, *From These Beginnings*, 5.

²⁷¹ "The Reminiscences of E. G. Liebold," Vol. 16, Acc. #65, 1435.

²⁷² Nevins and Hill, *Ford: Decline and Rebirth*, 406.

²⁷³ *Ibid.*

result, he perceived philanthropy as involving individuals instead of the multitudes.²⁷⁴ His philanthropy also sought to be productive rather than reforming. Ford's institutions attended to the educational and health needs of the nearby population, serving both the rich and poor through the provision of innovative and world-class medical care at the Henry Ford Hospital and unprecedented education through the Edison Institute.²⁷⁵

The earliest period in the Edison Institute's history exemplifies the role of Henry Ford's leadership style and its influence on the organization's management and philanthropy. Henry Ford created the Edison Institute to be dependent upon his own autocratic leadership style, philanthropic ideas, and personal enterprises. His family served as the original board and supporters, while his personal collecting activity provided the impetus for the Institute's creation. In fact, the concept behind the Institute originated based on Ford's beliefs about history and industry, as well as the growth of similar institutions around the world. Ford's collecting for the Institute relied upon the use of Ford Motor Company staff and processes internationally, centering around his Dearborn corporate headquarters. The Institute depended on Ford's autocratic leadership style, which guided a complex network of staff in managing and organizing massive collections for the creation of the Institute. Under Ford's influence, the Institute became known for its expansive collections and unprofessional methods. The Institute's operations depended on Henry Ford and his corporation, particularly for its funding and staffing needs. During the Edison Institute's earliest years, Henry Ford's philanthropic and leadership style provided the foundation on which its operations, funding, and governance were built. However, the Institute would face future challenges to its survival, based on its attempts to sustain Henry Ford's founding ideas and philanthropy through generational transitions and a rapidly evolving legal environment.

²⁷⁴ Ibid.

²⁷⁵ Ibid., 406, 408.

CHAPTER THREE: ESTABLISHING THE FORD FOUNDATION

Introduction

Henry Ford; Clara, his wife; and Edsel, his son, established the preliminary structure and support of both the Edison Institute and the Ford Foundation. The Ford family initially created the Ford Foundation to support their Michigan-based philanthropic organizations, including the Edison Institute, beyond Henry Ford's lifetime. Henry Ford and his family designed the Ford Foundation as a long-term funding mechanism for the Edison Institute. Their deaths changed the ways these institutions operated, including the Edison Institute's funding, staffing, and leadership, as well as the Ford Foundation's funding strategy. The transition of the Edison Institute and the Ford Foundation between generations of the Ford family most clearly illustrates the direct influence of the Fords' leadership on these organizations' management and strategy. The subsequent deaths of Clara, Edsel, and Henry Ford resulted in significant changes to the family's philanthropy at the Edison Institute as leadership of the organization transitioned from Henry Ford to a younger generation of family members.

Tax Codes: Encouraging and Facilitating the Creation of the Ford Foundation

American industrialists took advantage of the benefits of philanthropy as a means to decrease their income tax responsibilities. Prior to 1913 and the introduction of income tax, Americans had no financial advantage for creating foundations. However, the World Wars and Great Depression changed the way in which the American government viewed income tax and philanthropic organizations. In 1937, the Roosevelt administration noted 67 wealthy individuals who used these organizations as the recipients of portions of their income, decreasing their overall tax responsibilities.²⁷⁶ Henry Ford and his family created some of their largest

²⁷⁶ Olivier Zunz, *Philanthropy in America: A History* (Princeton, New Jersey: Princeton University Press, 2012), 172.

philanthropic institutions based on the changes made to American tax law during the early twentieth century.²⁷⁷

As evidenced through Henry Ford's creation of the Edison Institute, he preferred being personally involved in his giving activity. He intended to avoid institutionalizing his and his family's philanthropy.²⁷⁸ However, the economic and political landscape significantly changed for wealthy industrialists and philanthropists in the early decades of the twentieth century. The first federal estate tax appeared in 1916, increasing to 40 percent in 1924 for estates over \$10 million.²⁷⁹ The emergence of this form of tax presented a direct threat to Henry Ford and his family's continued management of the Ford Motor Company.²⁸⁰ During this period, the American public showed hostility toward Carnegie, Mellon, and Rockefeller's significant wealth, power, and use of foundations. In contrast, Ford did not give away as much money as these other industrial magnates during this period and personally directed his relatively small amount of philanthropy without legal mechanisms, largely escaping the public backlash against wealthy industrialists and their giving.²⁸¹

Over time, Congress and the American people became increasingly supportive of laws and taxes that required Ford and his peers to more evenly distribute their power and wealth among the general population.²⁸² In 1935, Henry Ford had a significant health scare and the

²⁷⁷ Ibid., 173.

²⁷⁸ Commentary By Unidentified Ford Foundation Official, William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Accession 1189, Research Reports and Background series, Internal Research subgroup, Archives (Ford Motor Company) records, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029, 2.

²⁷⁹ Francis X. Sutton, "The Ford Foundation: The Early Years," *Daedalus* 16, no. 1 (Winter, 1987), 42.

²⁸⁰ Ibid; and Allan Nevins and Frank Ernest Hill, *Ford: Decline and Rebirth, 1933-1962*, Vol. III, (New York: Charles Scribner's Sons, 1963), 410-411.

²⁸¹ Nevins and Hill, *Ford: Decline and Rebirth*, 410-411; Leslie Lenkowsky, "Foundations and Corporate Philanthropy," *The State of Nonprofit America*, ed. Lester M. Salamon (Washington, D.C.: Brookings Institution Press, 2002), 360; and Peter Dobkin Hall, "Resolving the Dilemmas of Democratic Governance: The Historical Development of Trusteeship in America, 1636-1996," *Philanthropic Foundations: New Scholarship, New Possibilities*, ed. Ellen Condliffe Lagemann (Bloomington, Indiana: Indiana University Press, 1999), 28-29.

²⁸² Nevins and Hill, *Ford: Decline and Rebirth*, 411.

federal “wealth tax” increased to 70 percent for estates over \$50 million.²⁸³ These events motivated Henry Ford’s interest in developing a more formalized mechanism to perpetuate his giving after his death.²⁸⁴ In the midst of the Great Depression, the Revenue Act of 1935 made a provision for individuals to receive tax exemptions based on gifts to designated charitable organizations, providing a loophole through which the Ford family and their company could escape President Franklin Delano Roosevelt and Congress’s intent in creating the tax legislation.²⁸⁵ Emerging federal laws and the looming challenge of retaining family control of the company provided Henry and Edsel Ford with the impetus to finally create a formalized philanthropic strategy in the form of a foundation.²⁸⁶

Henry and Edsel Ford established the Ford Foundation as an extension of their family’s philanthropy in 1936, following the Edison Institute’s creation. Edsel recommended the Foundation’s creation as a more businesslike approach to administer the Ford family’s giving.²⁸⁷ Several of Edsel’s peers and friends encountered the same inheritance taxes, resulting in their selling off controlling stock in their family businesses to cover these expenses.²⁸⁸ In order to avoid a similar situation, Edsel worked with Clifford Longley, his lawyer and former Ford Motor Company counsel, to determine a means to reclassify the Company stocks and maintain family control.²⁸⁹ They created a system through which 5 percent of the Company stock functioned as voting stock, with the other 95 percent of the shares being designated “non-voting” while being of equal value to the voting stock.²⁹⁰ In the end, Henry and Edsel each left 10 percent of their Ford

²⁸³ Ford R. Bryan, *Friends, Families & Forays: Scenes from the Life and Times of Henry Ford* (Detroit: Wayne State University Press, 2002), 263; Nevins and Hill, *Ford: Decline and Rebirth*, 411; and Sutton, “The Ford Foundation,” *Daedalus*, 42.

²⁸⁴ Bryan, *Friends, Families & Forays*, 263; Nevins and Hill, *Ford: Decline and Rebirth*, Vol. III, 411; and Sutton, “The Ford Foundation,” *Daedalus*, 42.

²⁸⁵ Sutton, “The Ford Foundation,” *Daedalus*, 42.

²⁸⁶ Nevins and Hill, *Ford: Decline and Rebirth*, 410-411.

²⁸⁷ Commentary By Unidentified Ford Foundation Official, William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 2.

²⁸⁸ *Ibid.*

²⁸⁹ *Ibid.*; and Bryan, *Friends, Families, & Forays*, 263.

²⁹⁰ Bryan, *Friends, Families, & Forays*, 263.

Motor Company stock to their heirs and the other 90 percent to the Ford Foundation.²⁹¹ The Ford Foundation's 90 percent of the stock was designated non-voting, while the family retained control of the Company's voting stock.²⁹²

To avoid the extensive estate taxes and retain ownership of the Ford Motor Company, Clara, Edsel, and Henry Ford each decided to provide for the Ford Foundation within their wills.²⁹³ The Foundation served as an optimal solution to ensure that the tax burden from Henry and Edsel's estates did not negatively affect their heirs. Without the existence of the Foundation, the Ford family heirs would have had to sell their Ford Motor Company stock and lose control of the company, in order to pay the mandatory \$321 million in federal inheritance taxes.²⁹⁴ By bequeathing a vast majority of the company's non-voting stock to the Ford Foundation, the Ford family's estate tax liability was significantly reduced to \$42,063,725.²⁹⁵ As a result, the Ford Foundation allowed the family to maintain control of the Company while paying much lower estate taxes on Henry Ford's vast wealth.²⁹⁶ Henry, Clara, and Edsel created the Foundation as a means to essentially eliminate the tax liability on the family's inheritance, based on the legal tools

²⁹¹ Dwight Macdonald, *The Ford Foundation: The Men and the Millions* (New Brunswick, NJ: Transaction Publishers, 1989, Reprint of 1956 edition), 132.

²⁹² By 1944, Henry and Clara Ford owned 58.5 percent of the Ford Motor Company voting stock, while the remaining 41.5 percent was owned by Edsel Ford and transferred after his death to his widow and children. "The Ford Heritage: The Struggle for Its Control Approaches a Climax. The Outcome Will Be As Important to the Future Car Buyer as to Ford's Artful Competitors," *Fortune*, June 1944, 140, 142, 254, 256; Bryan, *Friends, Families, & Forays*, 263; and Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 2-3.

²⁹³ Draft Letter to Henry Ford (Dearborn, Michigan) from Clifford B. Longley, 1935, Folder 1.8 – Ford Foundation ca. 1935, Box 1, Accession 1740, Clifford B. Longley papers, Benson Ford Research Center, 1; and Bryan, *Friends, Families, & Forays*, 263.

²⁹⁴ Draft Letter to Henry Ford from Clifford B. Longley, 1935, Folder 1.8 – Ford Foundation ca. 1935, Box 1, Acc. #1740, 4-5; Letter to B.J. Craig from Hill, Hamblen, Essery and Lewis, 6 June 1947, Folder – Craig, B.J., 1947-1951, Box 1, Accession 1410, Ford Foundation Subject File Records, Benson Ford Research Center, 2; and James J. Flink, "Ford, Henry," *American National Biography*, vol. 8, ed. John A. Garraty and Mark C. Carnesvol (New York: Oxford University Press, 1999), 234.

²⁹⁵ Draft Letter to Henry Ford from Clifford B. Longley, 1935, Folder 1.8 – Ford Foundation ca. 1935, Box 1, Acc. #1740, 4-5; Letter to B.J. Craig from Hill, Hamblen, Essery and Lewis, 6 June 1947, Folder – Craig, B.J., 1947-1951, Box 1, Acc. #1410, 2; and Flink, "Ford, Henry," *American National Biography*, 234.

²⁹⁶ Sutton, "The Ford Foundation," *Daedalus*, 42-43.

available to them during the 1930s.²⁹⁷ While the Ford family lost direct access to a large portion of their wealth, the Foundation served as a mechanism to direct their money to the causes they already supported and increase the amount that they could give over time.

Intent of the Ford Foundation

The Ford family formally designed their foundation similar to other generally-purposed foundations created during the early part of the twentieth century, intended for the broad mission of “advancing human welfare.”²⁹⁸ However, the Ford Foundation did not begin with the international scope or reputation for which it later received acclaim. Instead, it focused on the philanthropic intent of the Ford family and their charitable activity in the state of Michigan.²⁹⁹

The Ford Foundation’s original grant-making strategy focused on supporting Michigan-based charitable organizations with the intent to “receive and administer funds for scientific, educational, and cultural purposes.”³⁰⁰ The Edison Institute and other philanthropic organizations founded by the Ford family served as the primary recipients of the Foundation’s initial grants.³⁰¹ The concept behind the Ford Foundation built upon Henry Ford’s philanthropic goals of contributing to “sound, practical education and citizenship.”³⁰² The family’s efforts at the Edison Institute, including the school system, tested these ideas on a more limited basis,

²⁹⁷ Draft Letter to Henry Ford from Clifford B. Longley, 1935, Folder 1.8 – Ford Foundation ca. 1935, Box 1, Acc. #1740, 4-5; and Macdonald, *The Ford Foundation: The Men and the Millions*, 133.

²⁹⁸ As quoted in “Report of the Trustees of the Ford Foundation,” 27 September 1950, *Ford Foundation, Reports 1950-1952*, The Foundation Center Historical Foundation Collection, Ruth Lilly Special Collections and Archives, University Library, Indiana University-Purdue University Indianapolis, 755 West Michigan St., Indianapolis, Indiana 46202-5195, 3-4. See also David C. Hammack, “Foundations in the American Polity, 1900-1950,” *Philanthropic Foundations*, 44.

²⁹⁹ Waldemar A. Nielsen, *The Big Foundations* (New York: Columbia University Press, 1972), 78-79, 82-83, 96; and Richard Magat, “In Search of the Ford Foundation,” *Philanthropic Foundations*, 302, 313.

³⁰⁰ Ford Foundation, *A Selected Chronology of the Ford Foundation* (New York: Ford Foundation Office of Reports, 1980), 1; and Walter Hayes, *Henry: A Life of Henry Ford II* (New York: Grove Weidenfeld, 1990), 45.

³⁰¹ *Ibid.*

³⁰² “The Reminiscences of Mrs. Stanley Ruddiman,” Accession 65, Ford Motor Company Collection, Benson Ford Research Center, 16.

determining ways to best “teach the children the fundamentals of education, to learn a trade, to take their places as useful citizens, and to develop leadership.”³⁰³

The Ford Foundation’s Articles of Incorporation, filed on January 17, 1936, included an original board of trustees comprised of Burt J. Craig, treasurer of Ford Motor Company; Edsel Ford, then president of Ford Motor Company; and Clifford B. Longley, a former Ford Motor Company lawyer and the Ford family’s lawyer.³⁰⁴ Edsel Ford and Clifford Longley developed much of the initial concept for the Ford Foundation. They recognized the challenge inherent in transitioning Henry Ford’s massive wealth to younger family members after his death. In the face of significant federal inheritance and income taxes, creating the Ford Foundation served as a solution to ensure the Ford family’s inheritance of Henry Ford’s wealth and secure family control of the Ford Motor Company.³⁰⁵

Although Henry Ford did not involve himself with the legal discussion of the Foundation’s creation, he was well aware that establishing the Foundation under Michigan law would require that all of the donations to the Foundation would be used for public purposes and be removed from the control of the trustees if the state’s legislature did not agree with the foundation’s use.³⁰⁶ Edsel initiated the Foundation with a gift of \$25,000, adding to its endowment and assets over the next decade. However, most of the Foundation’s assets originated from later bequests made by Henry, Clara, and Edsel Ford in their wills.³⁰⁷

The Foundation at Work

The Foundation’s Board of Trustees initially met at the Ford Motor Company Administration Building and approved its first-year grants to Henry Ford Hospital and The

³⁰³ As quoted in *Ibid.*, 16. See *Ibid.*, 15-16.

³⁰⁴ Bryan, *Friends, Families, & Forays*, 263; and “The Reminiscences of E. G. Liebold,” Vol. 13, Acc. #65, 1154-1156, 1160.

³⁰⁵ “The Reminiscences of E. G. Liebold,” Vol. 16, Acc. #65, 1451.

³⁰⁶ Draft Letter to Henry Ford from Clifford B. Longley, 1935, Folder 1.8 – Ford Foundation ca. 1935, Box 1, Acc. #1740, 2-3.

³⁰⁷ Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 2-3.

Edison Institute, totaling \$1,050,000.³⁰⁸ Burt J. Craig served as the Foundation's sole staff member in its Detroit office after serving as a longtime Ford Motor Company employee and executive, as well as a close associate of Henry Ford himself.³⁰⁹ Henry Ford maintained the approach he had started with the Edison Institute and largely staffed the Ford Foundation with people he knew, resulting in interdependence between the Edison Institute, Ford Foundation, and Ford Motor Company. The Foundation's relatively limited size and staff served as the norm for American foundations until 1960. Wealthy donors guided these foundations to further their own interests, while remaining outside of the media and public's attention. The result was little real accountability to the government or the people.³¹⁰

Both the Edison Institute and the Ford Foundation began as charitable and educational institutions, intended to carry out the Ford family's personal philanthropic interests and activities.³¹¹ Edsel Ford said early on that "The Ford Foundation will take care of the various charitable, education, and research activities that I don't care to personally. It will be on a small scale and I have no intention of making it larger."³¹² The Foundation perpetuated Henry Ford's preference for informal giving, while providing a structure through which Edsel could streamline the family's philanthropic obligations.³¹³

³⁰⁸ The Edison Institute received \$935,000, in comparison to the Henry Ford Hospital's grant of \$115,000 that year. See *Ibid.*, 9; and Bryan, *Friends, Families, & Forays*, 266.

³⁰⁹ Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 9-10; and "The Ford Heritage," *Fortune*, June 1944, 141.

³¹⁰ Peter Frumkin, "Private Foundations as Public Institutions: Regulation, Professionalization, and the Redefinition of Organized Philanthropy," *Philanthropic Foundations*, 69.

³¹¹ Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 7-8. Within Greenleaf's manuscript and footnotes, he cites Henry Ford II's Congressional testimony from 24 November 1952 in *Tax-Exempt Foundations: Hearings before the Select Committee to Investigate Foundations and Comparable Organizations*, 82nd Congress, 2nd Session, (Washington, D.C., 1953).

³¹² Peter Collier and David Horowitz, *The Fords: An American Epic* (New York: Summit Books, 1987), 257.

³¹³ Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 7-8.

During this period, the Edison Institute and Henry Ford Hospital became the largest recipients of Ford Foundation funding.³¹⁴ The Foundation's other grants primarily supported Detroit-area and American institutions.³¹⁵ The Foundation served as a family foundation, overshadowed in size and influence by the larger Rockefeller and Carnegie endowments, and survived for over a decade without publishing annual reports or receiving extensive press coverage.³¹⁶ Until the late 1940s, the Ford Foundation continued to support Michigan and United States-based nonprofits as a growing, but relatively obscure, foundation.³¹⁷

The Fords used their leadership at the Foundation to strategically impact specific organizations, primarily around Michigan. Between the Ford Foundation's creation in 1936 and Edsel's death in 1943, the Foundation contributed approximately \$1 million annually to 27 local and national organizations.³¹⁸ During this time, the Foundation granted a total of \$8,592,167, with \$6,822,000 of that amount given to the Edison Institute.³¹⁹ Henry Ford contributed an additional \$2,600,000 to the Institute between 1939 and 1941 to help cover collection, construction, operating, and maintenance expenses.³²⁰

Henry Ford and his immediate family heavily invested their time and wealth in the creation of the Edison Institute. Starting in 1930, Clara, Edsel, and Henry made monthly contributions to support the Institute.³²¹ After 1936, the Ford family utilized the Ford Foundation

³¹⁴ Hayes, *Henry: A Life of Henry Ford II*, 46.

³¹⁵ Bryan, *Friends, Families, & Forays*, 266.

³¹⁶ Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 1; and Sutton, "The Ford Foundation," *Daedalus*, 43.

³¹⁷ Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 1.

³¹⁸ Bryan, *Friends, Families, & Forays*, 266; Ford Foundation List of Contributors, 7 June 1943, Folder 3 – Philanthropy-Organizations-Ford Foundation; 1936-1943, Box 144, Public Affairs materials series, Accession 1, Fair Lane papers subgroup, Henry Ford and Ford family papers, Benson Ford Research Center; and Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 8.

³¹⁹ *Ibid.*

³²⁰ Cash Donations, January 1-1939 through Aug 31-1945, Folder – Financial Operations, Financial Report 1939-40, Box 1, Accession #117, Edison Institute Collection, Benson Ford Research Center.

³²¹ Departmental Communication, 8 January 1951, Folder – Financial Operations, Contributions –F.M.C., J., Ford, C., Ford, E., Box 1, E.I. #117.

as a mechanism to provide for these monthly expenses and this support continued until 1950, with the exception of a delayed Foundation check in December 1939.³²² By November 30, 1950, Edison Institute financial records indicated that it received personal contributions of \$10,400,448.26 from Henry Ford, \$278,380.80 from Clara Ford, and \$4,337,464.61 from Edsel Ford, as well as \$13,742,500 from the Ford Foundation. Over twenty years, the Edison Institute received \$32 million in total revenue, much of it from Ford-related contributions.³²³ Such records indicate that the Edison Institute was an integral part of the Fords' personal philanthropy and that the Ford Foundation served to perpetuate the family's philanthropic vision and goals.

The Ford Family's Generational Transition and Its Impact on the Edison Institute

The death of Henry Ford on April 7, 1947 serves as the most significant event in the Edison Institute's funding and management history.³²⁴ His death marked the end of a highly-visible autocratic leadership style within his corporation and philanthropic organizations.³²⁵ However, his death functioned as one event in a fifteen year-long transition in the family's leadership and philanthropy between 1929 and 1951. During this time, the Ford family revised their approach to managing and supporting the Edison Institute and the Ford Foundation. For both organizations, the successive deaths of Clara, Edsel, and Henry Ford proved to be landmark events in a general shift in these organizations' leadership structure and philanthropy.

Henry Ford initially developed the Edison Institute as part of his personal collecting and philanthropy. However, the establishment of the Institute as a nonprofit organization in 1929

³²² Contributions to The Edison Institute for years 1938 and 1939, Folder – Financial Operations, Contributions –F.M.C., J., Ford, C., Ford, E., Box 1, E.I. #117.

³²³ Departmental Communication, 8 January 1951, Folder – Financial Operations, Contributions –F.M.C., J., Ford, C., Ford, E., Box 1, E.I. #117.

³²⁴ Walter W. Ruch, "75,000 Pay Homage at Bier of Ford: Coffin is Carried to Detroit for Funeral Today – All City to Halt in Silent Tribute," *New York Times*, April 10, 1947; Collier and Horowitz, *The Fords*, 227; and Geoffrey C. Upward, ed., *A Home for Our Heritage: The Building and Growth of Greenfield Village and Henry Ford Museum, 1929-1979* (Dearborn, MI: The Henry Ford Museum Press, 1979), 78, 121.

³²⁵ Henry Mintzberg, "Power and Organization Life Cycles," *Academy of Management Review* 9, no. 2 (1984): 214.

required the creation of a more formalized strategy for its leadership and support beyond the first generation of the Ford family. Likewise, the extent of the Ford family's wealth and philanthropy required them to develop legal mechanisms to direct the future survival of their institutions.

When Henry Ford and his lawyers wrote Henry's will in February 1936, they anticipated that Edsel would long outlive Henry and Clara. Henry named Edsel as executor of his estate, with his wife and grandchildren the recipients of trusts and voting shares of Ford Motor Company stock. The Ford Foundation was to receive Henry's nonvoting stock and his real estate, in exception to the family home in Dearborn that went to his wife.³²⁶ Neither Henry nor Edsel's wills designated direct bequests to the Edison Institute. Instead, both Fords anticipated that the provisions of the Ford Foundation would be sufficient to provide for the Institute's financial future.³²⁷

Henry planned for Edsel to serve as the future leader of the Ford Motor Company, the Ford Foundation, and the Edison Institute. However, Edsel predeceased his parents on May 26, 1943. His will stipulated that the Ford Foundation would receive his nonvoting shares and additional real estate.³²⁸ Edsel's death significantly changed Henry Ford's plans for the future of his family.³²⁹ Less than six days after Edsel's death, Henry's lawyers created a codicil for his will, naming his wife Clara as the new executor.³³⁰ Edsel was the only member of the Ford family's second generation, and his death forced Henry and Clara to rely on their grandchildren to serve as the next generation of leaders for the family's many corporate and philanthropic interests. When Henry Ford died years later, his wife turned to her grandsons, Henry Ford II, Benson, and

³²⁶ Last Will and Testament of Henry Ford, 3 February 1936, Folder – Henry Ford Deceased, Will of Henry Ford and Trust Agreement of Edsel B. Ford, 1936, 1943, 1947, Box 47, Accession 587, Office of Henry and Clara Ford Estate Records, Benson Ford Research Center.

³²⁷ *Ibid.*; and Last Will and Testament of Edsel B. Ford, 15 July 1936, Folder – Henry Ford Deceased, Will of Henry Ford and Trust Agreement of Edsel B. Ford, 1936, 1943, 1947, Box 47, Acc. #587.

³²⁸ Edsel also designated his wife, Eleanor Clay Ford, as executor of his estate. See Last Will and Testament of Edsel B. Ford, 15 July 1936, Folder – Henry Ford Deceased, Will of Henry Ford and Trust Agreement of Edsel B. Ford, 1936, 1943, 1947, Box 47, Acc. #587.

³²⁹ Upward, *A Home for Our Heritage*, 119.

³³⁰ Codicil to Henry Ford's Last Will and Testament, 1 June 1943, Folder – Henry Ford Deceased, Will of Henry Ford and Trust Agreement of Edsel B. Ford, 1936, 1943, 1947, Box 47, Acc. #587.

William Clay to serve as executors of her estate and to carry on the family's philanthropic activities.³³¹

Edsel's death on May 26, 1943 marked a significant transition in the leadership of the family's corporate and philanthropic activities.³³² The Edison Institute's board of trustees held a special meeting on July 8, 1943 to appoint Henry Ford II to fill the vacant position of Trustee and Vice-President, previously held by Edsel, while also appointing a successor for Frank Campsall, Henry Ford's long-time secretary and Institute trustee, ending his long relationship with the Institute.³³³ Along with his brother Benson, Henry Ford II also joined the Ford Foundation's board of trustees and assumed the position of Foundation president at the age of twenty-five.³³⁴

Henry Ford resumed his former position as President of Ford Motor Company immediately following Edsel's death. The additional responsibilities at the Company drew him away from his collecting and museum-building activities at the Edison Institute.³³⁵ However, Henry made the time to oversee the building of a memorial to Edsel in Greenfield Village, dedicating it in December of 1944.³³⁶

In 1945, Henry suffered a mild stroke that further limited his ability to lead the Edison Institute and the Ford Motor Company.³³⁷ Clara and Eleanor, Edsel's widow, finally threatened to sell their Ford stock outside of the family in order to convince Henry to transfer the company's presidency to his grandson, Henry Ford II. In September 1945, Henry II received a discharge

³³¹ Clara J. Ford Estate Executors, Folder – Henry Ford, General, Ford Foundation, 1945, Campsall Files, Box 45, Acc. #587; and Upward, *A Home for Our Heritage*, 119.

³³² Hayes, *Henry: A Life of Henry Ford II*, 12.

³³³ Notice to the Trustees of The Edison Institute from Frank Campsall (Assistant Secretary, The Edison Institute), 2 July 1943, Folder – Notice of Meetings, Box 18 – Edison Institute: Old Records, Storage Box A, Confidential Records 1947-1951, Frank Caddy Executive Files, Accession #57, Edison Institute Collection, Benson Ford Research Center; and Jeanine Head Miller and others, *Telling America's Story: A History of the Henry Ford*, ed. Judith E. Endelman and Wendy Metros (Virginia Beach, VA: Donning Company Publishers, 2010), 88.

³³⁴ Bryan, *Friends, Families, & Forays*, 266; and Hayes, *Henry: A Life of Henry Ford II*, 45.

³³⁵ Upward, *A Home for Our Heritage*, 78.

³³⁶ *Ibid.*, 115.

³³⁷ *Ibid.*

from the United States Navy to lead the family's company.³³⁸ He took over the Company, displacing several corporate executives who had been vying for influence over both the Company and Foundation under Henry Ford's precarious leadership.³³⁹ Under Henry II's direction, the Ford Foundation received a separate location off of the Company's property in Dearborn. The small Foundation staff set up in the Buhl Building in downtown Detroit, where they conducted the Foundation's work for the next several years.³⁴⁰

Between Henry Ford's decline in 1945 and his death in 1947, the Edison Institute operated with little direction. Without the elder Ford's vision and day-to-day management, the Institute's architect and planner wrote of this period, "What will become of the village and us is anybody's guess, but I do know our expansion program is halted for the present."³⁴¹ The Institute staff were left without an understanding of Henry's definite plan for the Institute's future and its relationship with the Ford Foundation. They remembered his discussions as being focused on varied interests around the Institute, reinforced by his consistent presence around the organization, rather than on developing a plan for his succession and the Institute's financial future.³⁴²

The Wayside Inn project in South Sudbury, Massachusetts, was more fortunate during these years. Between 1923 and 1944, the Wayside Inn served as a smaller-scale historical restoration than the Edison Institute, receiving only \$2,688,180 of Henry Ford's personal funds. In addition to providing less support to the project, Henry Ford also exercised far less direct oversight at the Wayside Inn, due in part to the early hiring of a manager for the historic site. On November 30, 1945, Henry Ford donated the Inn and surrounding property to a newly-established charitable organization: "The Wayside Inn." Henry Ford II, B.J. Craig of the Ford Foundation,

³³⁸ Flink, "Ford, Henry," *American National Biography*, 234; Hayes, *Henry: A Life of Henry Ford II*, 46-47.

³³⁹ Hayes, *Henry: A Life of Henry Ford II*, 46-47.

³⁴⁰ *Ibid.*

³⁴¹ Upward, *A Home for Our Heritage*, 78.

³⁴² "The Reminiscences of Edward J. Cutler," Vol. II, Acc. #65, 167.

and Frank Campsall of Ford Motor Company served as the trustees of the new nonprofit, with significant funding for the operation being provided by the Ford Foundation and staffing support coming from a nearby Ford Motor Company branch. During his lifetime, Henry Ford's Wayside Inn restoration cost almost \$5 million.³⁴³ Henry Ford's decline served as the informal end of his active philanthropy and management of the Edison Institute and his other activities.

Between 1917 and Henry Ford's death in 1947, he had given nearly \$37 million to charitable organizations, with about \$16 million of that amount considered to be deductible under the existing Federal Income Tax.³⁴⁴ Based on tax records for this period, Clara and Henry Ford gave a combined \$10,686,089.40 to the Edison Institute. In addition, they also gave nearly \$10.8 million to the Henry Ford Hospital, \$9.6 million to the Ford Foundation, and \$1.6 million to the Wayside Inn.³⁴⁵ These numbers underestimate the scale of Henry and Clara Ford's philanthropy, as they oftentimes did not create records for every donation or describe the use of each contribution.³⁴⁶ As such, the scale of their philanthropic giving was likely much greater.

Henry Ford's Death and the Succession of his Philanthropic Leadership

Henry Ford died on April 7, 1947 and several days later, a mile-long line of people filed past his casket to pay their respects in the Recreation Hall at the Edison Institute.³⁴⁷ In memory

³⁴³ Letter to Mrs. Ford from Frank Campsall, 5 July 1945, Folder 126-6 – Restoration – Wayside Inn – Financial – 1933-1946 & Undated, Box 125, Acc. #1; Roger Butterfield, "Henry Ford, the Wayside Inn, and the Problem of 'History is Bunk,'" *Proceedings of the Massachusetts Historical Society*, Third Series, 77 (1965): 65; and William Greenleaf, *From These Beginnings: The Early Philanthropies of Henry and Edsel Ford, 1911-1936* (Detroit, MI: Wayne State University Press, 1964), 89.

³⁴⁴ "Re Charitable and Other Contributions," Folder – L. J. Thompson – Research Papers – Henry Ford – Philanthropies, Box 1, Accession 384, Henry Ford Fair Lane Office Records, Benson Ford Research Center.

³⁴⁵ These numbers do not account for every contribution made by the Fords, as some of these documents required only their contributions above \$10,000. "Contributions," Folder – L. J. Thompson – Research Papers – Henry Ford – Philanthropies, Box 1, Acc. # 384.

³⁴⁶ "Untitled Document," Folder – L. J. Thompson – Research Papers – Henry Ford – Philanthropies, Box 1, Acc. # 384, 1.

³⁴⁷ Ruch, "75,000 Pay Homage at Bier of Ford," *New York Times*, April 10, 1947; and Collier and Horowitz, *The Fords*, 227.

of Henry Ford, Detroit traffic and machinery stopped for an entire minute (2:30-2:31pm) on April 10th, while all Ford enterprises and dealers closed for the day.³⁴⁸

The Edison Institute served as a memorial to its founder. However, it also became an heir of Henry Ford's autocratic leadership, informal management system, and a narrow funding strategy that depended solely on the Ford family's support for its future. The Institute's financial stability became progressively less certain without a detailed plan of Henry Ford's intention for the Ford Foundation to support the Edison Institute included within his will.³⁴⁹ Henry Ford used the Ford Foundation as a mechanism to perpetuate his personal support of the Edison Institute during his lifetime. However, neither his will nor the Foundation's Articles of Incorporation clearly articulated his intent to continue supporting the Edison Institute after his death.³⁵⁰ Even the Institute's own historians confuse the relationship between the funding of the Edison Institute and Henry Ford's provision for the Ford Foundation in his will, as they perceive that the Foundation provided for the Institute only after Henry's death.³⁵¹ The Edison Institute's financial records for this period reveal a consistent pattern of ongoing support from the Foundation in the years prior to 1947. Based on these records, one can clearly see Henry and Edsel's intent for the Foundation to serve as a mechanism in their philanthropic strategy to sustain the Edison Institute after their deaths.³⁵²

Without Henry's leadership at the Edison Institute, Clara Ford encouraged its small staff to continue their work based on his original vision. She attempted to take on Henry's managing role, meeting with Institute staff in the museum and village on a weekly basis to ensure that her

³⁴⁸ Ruch, "75,000 Pay Homage at Bier of Ford," *New York Times*, April 10, 1947.

³⁴⁹ Miller, *Telling America's Story*, 87-88.

³⁵⁰ Last Will and Testament of Henry Ford, 3 February 1936, Folder – Henry Ford Deceased, Will of Henry Ford and Trust Agreement of Edsel B. Ford, 1936, 1943, 1947, Box 47, Acc. #587; and Bryan, *Friends, Families, & Forays*, 222-266.

³⁵¹ Miller, *Telling America's Story*, 87-88.

³⁵² See Appendix D for a full listing of the Ford Foundation's annual contributions to the Edison Institute. Financial Operations, Accounting Records, Box 1, E.I. #117.

late husband's ideas endured throughout her lifetime.³⁵³ Multiple staff members from the period recalled encounters with Clara when she was greatly disturbed by changes to the Institute that deviated from Henry's collecting and management style.³⁵⁴ Without clear leadership and strategy for the future, the Edison Institute spent much of the period between Henry and Clara's deaths as a static institution with unchanged exhibits.³⁵⁵

Orienting a New Generation of Ford Leadership

Henry's grandsons assumed additional board leadership responsibilities and gradually transitioned the Institute from an organization that relied upon its founder to one that became increasingly professionalized, dividing the leadership and management roles distinctly between the board and staff members.³⁵⁶ Henry Ford II joined the Edison Institute board following Edsel's death and his younger brother Benson became board president starting in 1947.³⁵⁷ Benson served in this role for four years but rarely took an interest in the museum. His first and greatest interest during his board tenure was recruiting the exhibit, "Michigan on Canvas," to the museum—a project that drew the ire of his grandmother, Clara.³⁵⁸ Upon seeing several "modernistic" pieces during the exhibit's opening, sources indicate that the elder Mrs. Ford "kind of exploded."³⁵⁹ The museum's director explained to Clara Ford that she should consider Benson's interest in the exhibit and the museum, to which she replied: "'Benson! What does Benson know about this Museum? What do any of the boys know about the Museum? They

³⁵³ Miller, *Telling America's Story*, 87; Upward, *A Home for Our Heritage*, 123-124; and Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1 – Ablewhite, Hayward S. – 1962 #1, Box 4 – Hayward Ablewhite Reminiscences, 1940-1962, Accession #167- Oral Histories Memoirs Reminiscences, Edison Institute Collection, Benson Ford Research Center, 9, 11.

³⁵⁴ *Ibid.*

³⁵⁵ Report Re: "The Edison Institute: Second Report Concerning Conditions and Future Plans," 27 June 1949, Folder – Ford Foundation – Secretary – Treasurer's Office, Box 1, Accession #134, Edison Institute Collection, Benson Ford Research Center, 3.

³⁵⁶ Miller, *Telling America's Story*, 88.

³⁵⁷ *Ibid.*

³⁵⁸ Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1 – Ablewhite, Hayward S. – 1962 #1, Box 4 – Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 11.

³⁵⁹ *Ibid.*, 12.

don't know anything about it at all. And you just tell him that I don't like this exhibit!"³⁶⁰ By this point, Mrs. Ford technically served as a trustee of the Edison Institute, but rarely appeared at its meetings.³⁶¹ The director of the Edison Institute described how, until Clara's illness and subsequent death in 1950, she "was the power, and ...the boys [did not] take a single step, hardly without her...."³⁶² Her influence within both the Institute and the Company were legendary. While the Institute staff could not acquire or dispose of any collection items without Benson Ford's permission, due to his position as president, Clara's continual involvement at the Edison Institute challenged her grandsons' ability to guide the Institute's operations.³⁶³

Developing a Strategy

During this same period, Henry Ford II also grappled with leadership and strategic challenges at the Ford Foundation. B.J. Craig, a former Vice President and Treasurer of the Ford Motor Company, served as the Foundation's Treasurer and Secretary, leading the organization's Detroit-based headquarters, consisting of a small staff that included accounting and finance personnel transferred from Ford Motor Company.³⁶⁴ In 1948, Henry Ford II selected Rowan Gaither, a lawyer from San Francisco, to develop the Foundation's future grantmaking strategy and funding priorities.³⁶⁵ In their consideration of the Ford Foundation's future activities, B.J. Craig and others associated with the Foundation questioned whether a majority of the

³⁶⁰ Ibid., 13.

³⁶¹ As of 1950, the Board of Trustees for EI included Benson Ford (President), B.J. Craig (Secretary-Treasurer), L.J. Thompson (Assistant Secretary-Treasurer), Mrs. Henry Ford (Trustees), and Henry Ford II (Trustee). Edison Institute Board of Trustees - 1950, Folder - E.I. - Board of Trustees - 1950, Box 1 - Office Files, Emil Ulbrich Executive Files, Accession #115, Edison Institute Collection, Benson Ford Research Center; and Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1 - Ablewhite, Hayward S. - 1962 #1, Box 4 - Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 14.

³⁶² Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1 - Ablewhite, Hayward S. - 1962 #1, Box 4 - Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 14.

³⁶³ Report from White, Bower & Prevo (Detroit, Michigan) to B.J. Craig (Secretary and Treasurer, Ford Foundation), 1 August 1950, Folder - Audit Reports, Box 1 - Office Files, Emil Ulbrich Executive Files, E.I. #115.

³⁶⁴ Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1 - Ablewhite, Hayward S. - 1962 #1, Box 4 - Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 3, 18.

³⁶⁵ Hayes, *Henry: A Life of Henry Ford II*, 47.

Foundation's activities had to occur within the state of Michigan, where it was incorporated.³⁶⁶ Their legal counsel clearly stated: "...the basic theory of exempting charitable, educational or scientific institutions from state taxation is that the residents receive benefits from the activities which enjoy their exemption from state taxation."³⁶⁷ The Foundation board faced a situation that had not been sufficiently clarified through court cases in other states, a problem stemming from the explosive growth of private foundations during the 1930s and 1940s.³⁶⁸ The courts in Michigan had not been presented with a similar issue to provide precedent for the Foundation's legal counsel to predict the outcome of an exemption decision.

The lawyers recommended a conservative approach to the future grant-making strategy of the Ford Foundation, operating within the limitations of Michigan statute and similar decisions made within other states.³⁶⁹ The counsel worked to best serve the purposes of the Foundation within the confines of known legal decisions until the settlement of Edsel and Henry's estates. They recommended that the Foundation's grants and donations be made to institutions and activities within Michigan, those with "national objectives" (ie. American Red Cross, Boy Scouts of America, etc.), and those that served the "general public interest or benefit" inside or outside of the state of Michigan.³⁷⁰ In the end, the lawyers recommended retaining the administration of the Ford Foundation within Michigan, due to legal precedent that indicated state courts considered

³⁶⁶ Letter to B.J. Craig from Hill, Hamblen, Essery and Lewis, 6 June 1947, Folder – Craig, B.J., 1947-1951, Box 1, Acc. #1410, 2. The Ford family worked with a Detroit-based law firm for various legal situations regarding the Ford Foundation, Edison Institute, and their last will and testaments. As of the late 1940s, this firm was Hill, Hamblen, Essery, and Lewis. By the late 1950s, it changed names to Hill, Lewis, Andrews, Granse, and Adams. By the mid-1970s, the firm changed to Hill, Lewis, Adams, Goodrich, and Tait. See Letter to "Gentlemen" (The Edison Institute) from Hill, Lewis, Andrews, Granse and Adams (Detroit, Michigan), 19 December 1958, Folder – Clara J. Ford Estate – Mr. Heftler, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, E.I. #57; and Letter to Frank Caddy (Vice President, Administration and Treasurer, The Edison Institute) from Hill, Lewis, Adams, Goodrich & Tait (Detroit, MI), Re: "Ford Archives," 10 January 1974, Folder – Archives: Financial Papers, Box 1, Frank Caddy Executive Files, E.I. #57.

³⁶⁷ Letter to B.J. Craig from Hill, Hamblen, Essery and Lewis, 6 June 1947, Folder – Craig, B.J., 1947-1951, Box 1, Acc. #1410, 1.

³⁶⁸ *Ibid.*, 1-3.

³⁶⁹ *Ibid.*, 2.

³⁷⁰ *Ibid.*, 3.

where foundations conducted business to determine their tax exemption status within that same state.³⁷¹

While the Ford Foundation attempted to develop a strategy for its future, the Edison Institute hired Robert Heller and Associates, Inc. of Cleveland, Ohio to conduct a similar analysis of the museum complex's situation. Kenneth G. Donald, Vice President of Heller and Associates, presented their findings, known as the Heller Report, to Clara Ford on September 29, 1947.³⁷² The Heller Report included a full analysis of the operations of the Edison Institute, including Greenfield Village, the Museum, and the Schools, as well as a proposal for their future operation (without regard to future funding limitations).³⁷³ Within the report, the Heller associates presented the Institute's problem areas, including a lack of clear objectives, defined organizational structure, adequate staffing, and communication with comparable museums and other organizations.³⁷⁴ Among the Heller Report recommendations, the associates provided an overarching objective for the Institute: "To depict the history of industrial development in America and its relation to the everyday life of Americans, so that through increasing the knowledge of past accomplishments enthusiasm for our way of life may be stimulated."³⁷⁵ The associates also suggested that the Institute hire a qualified man as director; create and utilize an annual budget; and separate its property, operations, parking, and records from the Ford Motor Company.³⁷⁶ The Heller Report cost the Edison Institute approximately \$40,000, but the Institute's staff did not directly act upon it.³⁷⁷

³⁷¹ Ibid., 3-4.

³⁷² Letter and Report to Mrs. Henry Ford from Kenneth G. Donald (Vice President, Robert Heller and Associates), 30 September 1947, Folder - Draft Proposal Report for Edison Institute by Robert Heller & Associates, 1947, Consultant's Reports, Box 1, Accession #113, Edison Institute Collection, Benson Ford Research Center.

³⁷³ Ibid., Cover Letter – 1.

³⁷⁴ Ibid., The Museums – 2.

³⁷⁵ Ibid., The Museums – 1.

³⁷⁶ Ibid., The Museums – 3; and Ibid., Appendix III - Suggestive Check List of Changes – 2, 4.

³⁷⁷ Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1 – Ablewhite, Hayward S. – 1962 #1, Box 4 – Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 4.

However, the document's creation correlated with gradual steps toward professionalizing the organization's management and became the catalyst for the progression away from Henry Ford's founder-based leadership style. The Board of Trustees sought a more governance-specific role for themselves as they hired Hayward S. Ablewhite as Director of the Edison Institute on February 8, 1949, over a year after the Heller Report.³⁷⁸ His appointment accompanied the first formalized organizational chart for the museum staff, representing the division of job duties and departments.³⁷⁹ Many of Ablewhite's staff included individuals affiliated with the Ford Motor Company and the Ford family, including Henry and Clara's niece, Kottie Bryant, who had worked with Ablewhite in his former position at the Ford Motor Company.³⁸⁰ Ablewhite faced continual challenges at the Institute as he attempted to balance the increasing staffing costs and abilities with the diverse needs of the organization.³⁸¹

Ablewhite began his tenure fully intending to implement the Heller Report. However, other than hiring several additional staff, Ablewhite never made much progress in achieving the goals set out in the Heller Report.³⁸² He faced a nearly impossible task in assuming the responsibilities of a then internationally-known and enormous museum complex that had once been managed by Henry Ford himself.³⁸³ Ablewhite had to fight against the momentum of a generally stagnant institution in order to "make the Museum a living vital force in American life, in other words, make it 'a community center of cultural relations.'"³⁸⁴ He recognized that the

³⁷⁸ The Institute's board moved away from the active day-to-day management of the Institute and expanded their role in creating the Institute's policy and overarching strategy. In this way, Ablewhite served as the head member of the Institute staff, under the direction of the board. *Ibid.*, 1; and Letter to Mrs. Ford from Hayward S. Ablewhite, 8 February 1949, Folder 17 – Collecting – E.I. – Personnel, Box 127, Public Affairs materials series, Acc. #1.

³⁷⁹ Miller, *Telling America's Story*, 87.

³⁸⁰ Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1 – Ablewhite, Hayward S. – 1962 #1, Box 4 – Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 4, 6-8, 24-26.

³⁸¹ Letter to B.J. Craig (Secretary and Treasurer, Ford Foundation) from Emil A. Ulbrich (Edison Institute), 17 April 1950, Folder – Audit Reports, Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115.

³⁸² Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 2- Ablewhite, Hayward S.– 1962–#2, Box 4–Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 4, 20.

³⁸³ Report Re: "The Edison Institute: Second Report Concerning Conditions and Future Plans," 27 June 1949, Folder – Ford Foundation – Secretary – Treasurer's Office, Box 1, E.I. #134, 3.

³⁸⁴ *Ibid.*

Institute's finances would not be sustainable based on the Foundation's annual contribution amount, without an additional endowment left by Henry or Edsel Ford.³⁸⁵ Additionally, the Ford Foundation began stipulating that the Edison Institute "...immediately place in effect a more rigid economy..." as a result of its history of "...excessive expense incurred in connection with [its] operation."³⁸⁶ To better manage the Institute's financial situation, Ablewhite created the Institute's first budget to guide the finances of the organization.³⁸⁷ Ablewhite's small advances provided foundational work for the Edison Institute's future professionalization and development of distinguishable leadership and management strategies.

Hayward Ablewhite and the Edison Institute staff recognized the quality of Henry Ford's collections housed at the museum. However, when they sought to display the items outside of the Institute's main exhibits, they faced a challenge of how to best use the collection's pieces within the constraints of the Institute's tax-exempt status. The staff considered such possibilities as loaning collection items to companies, allowing companies to use collection items for advertising, permitting companies to photograph items as models for future products, and loaning items to educational institutions and commercial museums.³⁸⁸ Although legal counsel determined that these activities would not influence the Edison Institute's tax-exempt status, they could not decide whether the Institute intended these activities to benefit its educational purpose. In conjunction with the Ford Foundation, legal counsel finally determined that the Institute's activities should be

³⁸⁵ See Appendix D for a full listing of the Ford Foundation's annual contributions to the Edison Institute. Between 1936 and 1950, the Foundation's annual contribution averaged \$923,500. "Ford Foundation Contributions," Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center; and "List of Contributors," Folder – Henry Ford, General, Ford Foundation, 1945, Campsall Files, Box 6, Acc. #587.

³⁸⁶ Letter to L. J. Thompson (Assistant Secretary & Assistant Treasurer, Edison Institute) from the Ford Foundation, 5 April 1949, The Edison Institute, Ford Foundation Grant 36-234, Reel 1191, Ford Foundation records, Rockefeller Archive Center.

³⁸⁷ Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1 – Ablewhite, Hayward S. – 1962 #1, Box 4 – Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 17-18.

³⁸⁸ Letter to A. L. Fox (Ford Foundation) from Roger P. Hill (Edison Institute Museum), 10 March 1950, Folder – Ford Foundation – Secretary – Treasurer's Office, Box 1, E.I. #134.

in support of its educational purposes, with any advancement of commercial purposes to be “incidental.”³⁸⁹

The professionalization of the museum field began at the turn of the twentieth century, in order to facilitate the funding of these private art museums and curate collections for public use.³⁹⁰ Philanthropists became less involved in accumulating knowledge about how to develop these institutions, as professionals and experts filled this need.³⁹¹ Museums served as the showcases for progressive culture, training leaders and workers that influenced decades of social and scientific advancement. The educational role of museum was further implemented through the creation of the American Association of Museums (AAM) in 1906. In this way, experts could best exchange ideas about the use of museums for education and industrial design during the early twentieth century.³⁹²

During his tenure, Ablewhite realized that other members of the museum community looked down upon the Edison Institute as a large, but amateur, institution. Without a history of museum professionals at the helm, Henry Ford’s Institute retained its reputation based on his personal collecting and exhibition style. As a result, Ablewhite took it upon himself to network with other museum professionals at the Smithsonian, the Metropolitan Museum of Art, the Museums at the University of Michigan, the Detroit Institute of Arts, and the Museum of Science and Industry in Chicago.³⁹³ Along the way, Ablewhite sought recommendations for the Institute’s future growth and improvement from the American Association of Museums (AAM)

³⁸⁹ Ibid.

³⁹⁰ Karsten Borgmann, “‘The Glue of Civil Society’: A Comparative Approach to Art Museum Philanthropy at the Turn of the Twentieth Century,” in *Philanthropy, Patronage, and Civil Society: Experiences from Germany, Great Britain, and North America*, ed. Thomas Adam (Bloomington, Indiana: Indiana University Press, 2004), 38.

³⁹¹ Thomas Adam, *Buying Respectability: Philanthropy and Urban Society in Transnational Perspective, 1840s to 1930s* (Bloomington: Indiana University Press, 2009), 27.

³⁹² Borgmann, “‘The Glue of Civil Society,’” *Philanthropy, Patronage, and Civil Society*, 44-45.

³⁹³ “Section II – Preliminary Report on Existing Conditions and Plans for the Future,” 22 April 1949, Folder – Ford Foundation – Secretary – Treasurer’s Office, Box 1, E.I. #134, 1-2; and Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 2- Ablewhite, Hayward S. –1962–#2, Box 4–Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 51-54.

and its director, Dr. Laurence Vail Coleman.³⁹⁴ Ablewhite pursued a professional relationship with Dr. Coleman and AAM for their expertise in the museum field since the Edison Institute staff already consistently used AAM's books for reference, including Coleman's *The Museum in America*.³⁹⁵

Dr. Coleman became particularly interested in the Edison Institute, in part, due to its connection to the Ford Foundation. In October 1950, he contacted the Edison Institute to inquire about the current status of the Ford Foundation, hoping to build a partnership between two nationally-oriented organizations and increase the Foundation's support of American museums. AAM also faced a decline in foundation support and Dr. Coleman saw the Ford Foundation as a worthwhile addition to the list of AAM supporters, which already included many of the late Henry Ford's peers and fellow philanthropists.³⁹⁶ In response, Ablewhite described an uncertain period in the Foundation's leadership, as Paul Hoffman had not yet been named as president or director of the Ford Foundation. Ablewhite indicated that "to wait perhaps a month or two" would be sufficient for the new Foundation's administration to be in place.³⁹⁷

Ablewhite sought to professionalize the Edison Institute and establish a strategy for its future as a premiere American museum. As director of the Edison Institute, Ablewhite fully recognized the complex financial and strategic situation in which the organization found itself.

³⁹⁴ Letter to B. J. Craig (Secretary and Treasurer, Ford Foundation) from L. J. Thompson (Assistant Treasurer, Edison Institute), 25 October 1949, Folder – Requests for Funds, Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115; and Report Re: "The Edison Institute: Second Report Concerning Conditions and Future Plans," 27 June 1949, Folder – Ford Foundation – Secretary – Treasurer's Office, Box 1, E.I. #134, 1.

³⁹⁵ Letter to Laurence Coleman (Director, American Association of Museums) from Hayward S. Ablewhite (Director of Interpretations, Edison Institute), 29 May 1951, Folder – American Association of Museums, Box 1, E.I. #134.

³⁹⁶ Letter to Hayward S. Ablewhite (Director, Edison Institute Museum) from Laurence Vail Coleman (Director, American Association of Museums), 26 September 1950, Folder – American Association of Museums, Box 1, E.I. #134; Letter to George H. Edgell (President, American Association of Museums) from L. V. Coleman (American Association of Museums), 16 May 1950, Folder – American Association of Museums, Box 1, E.I. #134; and "The American Association of Museums: Summary of Reports for the Year Ended April 30, 1949," Folder – American Association of Museums, Box 1, E.I. #134.

³⁹⁷ Letter to Laurence Coleman (Director, American Association of Museums) from Hayward S. Ablewhite (Director, Edison Institute Museum), 3 October 1950, Folder – American Association of Museums, Box 1, E.I. #134.

He regularly met with Clara Ford between once and twice a week, for an hour and a half at a time, to discuss the future of Henry Ford's museum complex.³⁹⁸ According to Ablewhite, "She did not know what she was going to do with [the Museum] and how it was going to be, what the future was."³⁹⁹ As the last member of the founding generation, Clara Ford represented the remaining connection to Henry Ford's leadership and funding of the Edison Institute. Without the active leadership style of the first two generations of the Ford family, the third generation of Ford grandchildren were left to reimagine the Institute's and Foundation's philanthropic strategies, gradually moving away from these institutions' respective founding visions and management styles.

Clara Ford's Death

Clara Ford died on September 29, 1950, marking the end of two generations of Ford leadership at the Edison Institute, the Ford Motor Company, the Ford Foundation, and the family's other philanthropic activities and business enterprises. In her will, Clara left the Edison Institute \$4 million as an endowment.⁴⁰⁰ Clara's bequest became caught up in the settling of her estate, as her grandsons proposed part of the endowment be made in Ford Motor Company B (nonvoting) stock, similar to that given by Henry and Edsel to the Ford Foundation.⁴⁰¹ For the year 1950, the Edison Institute faced an operating loss of \$1,012,008 (expenses of \$1,334,298 and revenue of \$322,290) with the Ford Foundation providing \$1 million to help meet the

³⁹⁸ Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1–Ablewhite, Hayward S – 1962 #1, Box 4 – Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 8-9; and Hayward S. Ablewhite Oral History Interview, 28 November 1962, Folder 3 - Ablewhite, Hayward S. –1962–#3, Box 4–Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167.

³⁹⁹ Hayward S. Ablewhite Oral History Interview, 28 November 1962, Folder 3–Ablewhite, Hayward S.–1962–#3, Box 4–Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 7.

⁴⁰⁰ Miller, *Telling America's Story*, 87.

⁴⁰¹ Letter to "Gentlemen" from Hill, Lewis, Andrews, Granse and Adams, 19 December 1958, Folder – Clara J. Ford Estate – Mr. Hefler, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, E.I. #57, 1-2.

difference.⁴⁰² Clara's bequest provided the beginnings of an endowment that could function as a sustainable source of revenue for the Edison Institute.

Due to the Ford family's fame, Clara's death and subsequent gift to the Edison Institute made national headlines. The press initially described Clara's gift as being for "educational purposes," with little indication that the bequest was intended for the Institute's use alone. This misstatement led numerous individuals and organizations to write the Edison Institute requesting support for their educational projects.⁴⁰³

Other wealthy and well-known American philanthropists received similar appeals starting in the late nineteenth century.⁴⁰⁴ John D. Rockefeller, Mrs. Russell Sage, Helen Miller Gould, and other well-known philanthropists received countless letters asking for money, resulting in their eventually creating highly systematic giving structures.⁴⁰⁵ Regardless of the establishment of impersonal bureaucracies and specific giving areas, such as declared in Clara's gift, these philanthropists continued to receive requests from around the world.⁴⁰⁶

⁴⁰² "The Edison Institute: Financial History," Folder – Financial Donation History of Edison Institute, 1929, 1941-1950, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, E.I. #57.

⁴⁰³ Letter to C.E. Lo Massena (East Orange, NJ) from Emil A. Ulbrich (General Manager, Edison Institute), 2 November 1950, Folder – Correspondence-Misc.-1950 (2 of 2), Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115; Letter to "Sir" from C.E. Le Massena (Artists Representative, East Orange, NJ), 12 October 1950, Folder – Correspondence-Misc.-1950 (2 of 2), Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115; Letter to "Sirs" (Edison Institute) from Mr. W. G. Walford (Coll House, Aldingbourne, Chichester, Sussex, England), 13 October 1950, Folder – Correspondence-Misc.-1950 (2 of 2), Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115; Letter to Director of Edison Institute from Mike Martin (President, King's Inc., Seattle, WA), 14 October 1950, Folder – Correspondence-Misc.-1950 (2 of 2), Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115; and Letter to "Gentlemen" (Edison Institute) from Mrs. R. A. Pederson (Secretary, Southern Berkshire Educational Association, Great Barrington, Massachusetts), 17 October 1950, Folder – Correspondence-Misc.-1950 (2 of 2), Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115.

⁴⁰⁴ Ruth Crocker, "'I Only Ask You Kindly to Divide Some of Your Fortune With Me': Begging Letters and the Transformation of Charity in Late Nineteenth-Century America," *Social Politics* 6, no. 2 (Summer 1999): 132.

⁴⁰⁵ *Ibid.*, 134; Ron Chernow, *Titan: The Life of John D. Rockefeller, Sr.* (New York: Random House, 1998), 238-239; and Allan Nevins, *Study in Power: John D. Rockefeller, Industrialist and Philanthropist*, Vol. II (New York: Charles Scribner's Sons, 1953), 156-157, 300.

⁴⁰⁶ Crocker, "'I Only Ask You Kindly to Divide Some of Your Fortune With Me,'" *Social Politics*, 140; and Nevins, *Study in Power*, 156-157, 300.

The Institute's staff members replied to inquiries about Clara's gift to the Edison Institute, stating that the Institute "does not make any donations or grants."⁴⁰⁷ Schools and school districts, as well as nonprofits and individuals, sought their portion of Clara Ford's \$4 million gift, misunderstanding her bequest was intended for the Edison Institute's educational purposes.⁴⁰⁸

In the months following Clara's death, Hayward Ablewhite and staff from the Edison Institute went to Clara and Henry's Fair Lane estate to search through the house for materials that could be useful for inclusion in the museum's collections. However, many of these items never arrived at the museum, as much of the estate items were sold through Park Bernet gallery soon after.⁴⁰⁹ Other researchers from the U.S. Archives and similar institutions discovered rooms full of documents and artifacts that Henry and Clara kept for themselves rather than sending to the Edison Institute.⁴¹⁰

People associated with the Edison Institute's governance recognized the profound impact of Clara's death on the future of the organization. Even before Clara died, B.J. Craig of the Ford Foundation and other individuals affiliated with the Ford family and the Edison Institute expressed displeasure at how one of the staff members managed Greenfield Village. Ablewhite, as Director of the Edison Institute, could have taken over the village, but he generally concentrated his efforts on the museum. With Clara's death, this situation changed. As

⁴⁰⁷ Letter to C.E. Lo Massena from Emil A. Ulbrich, 2 November 1950, Folder – Correspondence-Misc.-1950 (2 of 2), Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115; Letter to "Sir" from C.E. Le Massena, 12 October 1950, Folder – Correspondence-Misc.-1950 (2 of 2), Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115; Letter to "Sirs" from Mr. W. G. Walford, 13 October 1950, Folder – Correspondence-Misc.-1950 (2 of 2), Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115; E.I. #115; Letter to Director of Edison Institute from Mike Martin, 14 October 1950, Folder – Correspondence-Misc.-1950 (2 of 2), Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115; and Letter to "Gentlemen" from Mrs. R. A. Pederson, 17 October 1950, Folder – Correspondence-Misc.-1950 (2 of 2), Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115.

⁴⁰⁸ Ibid.

⁴⁰⁹ Hayward S. Ablewhite Oral History Interview, 28 November 1962, Folder 3–Ablewhite, Hayward S.–1962–#3, Box 4–Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 2.

⁴¹⁰ Collier and Horowitz, *The Fords*, 230; and Ford R. Bryan, *Henry's Attic: Some Fascinating Gifts to Henry Ford and His Museum*, ed. Sarah Evans (Dearborn, Michigan: Ford Books, 1995), 9.

Ablewhite recalled, “Immediately when Mrs. Ford died, Mr. Craig called me almost before her body was cold and told me that I was to take over the Village at once.”⁴¹¹

Several months later, the Edison Institute board reinforced this opinion in its hiring of A.K. Mills as Executive Director, who formally managed both Greenfield Village and the Museum.⁴¹² Mills took his responsibilities seriously, expanding upon Ablewhite’s relatively limited travels and connection, as he spent much of 1953 traveling to over 30 museums throughout North America and Europe to determine best practices for his organization.⁴¹³ As part of his efforts, Mills hired Donald Shelley to serve as Curator of Fine Arts in January of 1952.⁴¹⁴ Shelley replaced Mills as executive director when the latter died in 1954—a position Shelley would hold for twenty-two years.⁴¹⁵ During this same time, the Ford grandsons redistributed their board responsibilities so that Benson Ford left the Edison Institute to take over as board president of Henry Ford Hospital, while his younger brother William Clay Ford became President of the Institute’s board in 1951.⁴¹⁶ Donald Shelley and William Clay Ford’s combined leadership would continue to redefine the Edison Institute in the coming decades.⁴¹⁷ Overall, Clara Ford’s death served as a catalyst for a larger transformation in the leadership of the Institute and the family’s philanthropic interests.

A New Ford Foundation Strategy

Only three days before Clara Ford’s death, the Ford Foundation Board of Trustees produced a report that reorganized its management and grant-making strategy.⁴¹⁸ By 1948, the

⁴¹¹ Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1–Ablewhite, Hayward S. – 1962 #1, Box 4–Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 5.

⁴¹² Miller, *Telling America’s Story*, 88.

⁴¹³ *Ibid.*

⁴¹⁴ *Ibid.*; and Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 2–Ablewhite, Hayward S. –1962–#2, Box 4–Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 2.

⁴¹⁵ Miller, *Telling America’s Story*, 88

⁴¹⁶ *Ibid.*; and Collier and Horowitz, *The Fords*, 362.

⁴¹⁷ Miller, *Telling America’s Story*, 88.

⁴¹⁸ “Report of the Trustees of the Ford Foundation,” 27 September 1950, *Ford Foundation, Reports 1950-1952*, The Foundation Center Historical Foundation Collection. As of September 1950, the trustees included Henry Ford II (Chairman of the Ford Foundation Board of Trustees; President, Ford Motor Company); Karl T. Compton (Chairman of the Board, Massachusetts Institute of Technology); John

Foundation recognized that it needed to expand its grant-making programs due to significant income from Edsel and Henry Ford's bequests.⁴¹⁹ In total, they gave the Foundation 3,089,908 of the 3,280,255 non-voting shares for the Ford Motor Company, totaling 94 percent of the Class A stock.⁴²⁰ Due to the increasing volume and value of its Ford Motor Company stock, as well as the settling of Edsel and Henry's estates, the Foundation's investments generated \$15 to \$20 million annually by 1948, greatly expanding its giving capacity.⁴²¹ Henry Ford II, Dr. Karl T. Compton, and other members of the Foundation board recruited Rowan Gaither to initiate a study of American foundation activity and potential areas of funding for the Ford Foundation.⁴²² As a result, the Foundation could most strategically expand beyond the Foundation's regular grants to the Ford family's philanthropies. With the Foundation serving the broad purpose of "advancing human welfare," the Trustees hoped to more closely refine the Foundation's future programs.⁴²³

The Ford Foundation's broad mission and highly generalized bylaws presented opportunities for its new board members to expand beyond the Ford family's original philanthropic strategy. However, it also presented challenges to maintaining the family's initial charitable intent. In contrast, too much specificity could have also result in complications. To take one famous example of this problem, Albert Barnes, who created the Barnes Foundation in

Cowles (President, Minneapolis Star and Tribune Company); Donald K. David (Dean, Harvard School of Business Administration); Benson Ford (Vice President, Ford Motor Company); James B. Webber (Vice President, J.L. Hudson Company); Charles E. Wilson (President, General Electric Company); and Burt J. Craig (Secretary-Treasurer, Ford Foundation). See *Ibid.*, 2.

⁴¹⁹ Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 22; and "Report of the Trustees of the Ford Foundation," 27 September 1950, *Ford Foundation, Reports 1950-1952*, The Foundation Center Historical Foundation Collection, 2.

⁴²⁰ "History of the Ford Foundation," 12 January 1956, Related Correspondence and Materials, William Greenleaf, "The Ford Foundation: The Formative Years," 1957, Log File L57-1209, Reel L-43, Ford Foundation records, Rockefeller Archive Center, 1.

⁴²¹ Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 22; and "Report of the Trustees of the Ford Foundation," 27 September 1950, *Ford Foundation, Reports 1950-1952*, The Foundation Center Historical Foundation Collection, 2.

⁴²² Rowan Gaither's full name was Horace Rowan Gaither, Jr., but most sources call him Rowan Gaither. See Chapter 1 (A Broader Range), William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 25.

⁴²³ "Report of the Trustees of the Ford Foundation," 27 September 1950, *Ford Foundation, Reports 1950-1952*, The Foundation Center Historical Foundation Collection, 3-4.

Philadelphia, developed a highly detailed trust document for his art museum. The document included stipulations for the use and investment of the funds, the gift of property, the board of trustees, and other details down to the salary and number of security personnel and attendants for the collection. These stipulations would contribute to a large portion of the Barnes Foundation's later legal challenges.⁴²⁴ In comparison, the Ford family's creation of the Ford Foundation for the general purpose of "advancing human welfare," rather than specifically supporting Detroit and Michigan-oriented organizations, may have helped the Foundation and related organizations avoid some potential legal situations.⁴²⁵

The Ford Foundation Trustees publically released the Gaither Report, as the document came to be called, on September 27, 1950. The report outlined the Foundation's five new funding focus areas where the trustees felt the Foundation could have the "most significant contributions to human welfare."⁴²⁶ September 1950 marked the Foundation's formalized change in philanthropic strategy to a grant program that supported "the advancement of peace, education, the behavioral sciences, democratic institutions, and economic stability."⁴²⁷

The Michigan Fund

In order to maintain the Ford Foundation's connections in its state of origin, the Foundation initially proposed the creation of a "Michigan Foundation" to "support those Michigan philanthropies heretofore financed in whole or in part by The Ford Foundation and which are not related to the new program of The Ford Foundation."⁴²⁸ Following the Gaither Report and creation of the Ford Foundation's new priorities, the staff and trustees considered a

⁴²⁴ John Anderson, *Art Held Hostage: The Battle over the Barnes Collection* (New York: W. W. Norton and Company, 2003), 28-29.

⁴²⁵ "Report of the Trustees of the Ford Foundation," 27 September 1950, *Ford Foundation, Reports 1950-1952*, The Foundation Center Historical Foundation Collection, 3-4.

⁴²⁶ *Ibid.*, 4.

⁴²⁷ Ford Foundation Annual Report as of 31 December 1951, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, E.I. #57, 5.

⁴²⁸ Ford Foundation, Report of the study for the Ford Foundation on policy and program, Vol. 4, Staff Memo #6: "Proposed Michigan Foundation," (Detroit: Ford Foundation, 1949), Ford Foundation records, Rockefeller Archive Center, 1.

Michigan-based fund as an optimal solution to the “transition [of the Foundation] from a regional organization with limited interests to a national institution broadly dedicated to the advancement of human welfare.”⁴²⁹ By dividing the Foundation’s previous and new priorities into different organizations, it hoped to circumnavigate challenges recruiting new, nationally-oriented board members, who may not want to be involved in “localized charity.”⁴³⁰ It also intended that the “Michigan Foundation” would receive additional support and board members through the Ford Motor Company and other Michigan-based institutions, in order to offset the initial influence of the Ford Foundation staff and board.⁴³¹

The Ford Foundation hoped to better fulfill its obligations as a “Michigan corporation” and avoid having to contend with the criticism of the board and public regarding disagreements over the Foundation’s previous role in Michigan and its new national priorities.⁴³² The earliest concept for a Michigan-designated fund was intended to be announced along with the plans for the Foundation’s primary offices being moved out of the state.⁴³³ Originally, the Michigan Committee included Benson Ford, James B. Webber, and B.J. Craig, who was later replaced by Oliver May.⁴³⁴ The committee’s recommendations initially had to be approved by the full

⁴²⁹ Ibid.

⁴³⁰ Ibid., 1-2.

⁴³¹ Ibid., 6.

⁴³² “Michigan Fund,” Folder 1: Fund Files – Michigan Fund Grants (Treasurer’s File), 1950-1954, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1: Fund Files – Michigan Fund Grants (Treasurer’s File), 1950-1954, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; Letter to Oliver May (Secretary and Treasurer, Ford Foundation) from James Smart (Ford Foundation), 5 July 1951, Folder 1: Fund Files – Michigan Fund Grants (Treasurer’s File), 1950-1954, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; and Ford Foundation, Report of the study for the Ford Foundation on policy and program, Vol. 4, Staff Memo #6: “Proposed Michigan Foundation,” (Detroit: Ford Foundation, 1949), Ford Foundation records, Rockefeller Archive Center.

⁴³³ Ford Foundation, Report of the study for the Ford Foundation on policy and program, Vol. 4, Staff Memo #6: “Proposed Michigan Foundation,” (Detroit: Ford Foundation, 1949), Ford Foundation records, Rockefeller Archive Center, 6.

⁴³⁴ James Webber served as Vice President and General Manager of the J.L. Hudson Company in Detroit. See Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; and Letter to James B. Webber, Jr. from Oliver May, 25 September 1951, Folder 1: Fund Files – Michigan Fund Grants (Treasurer’s File), 1950-1954, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

Foundation board of trustees. However, the Committee streamlined its operations to automatically approve grants of less than \$50,000 without the board's approval from the Foundation's general funds. In 1950, this sum was a relatively substantial amount for local causes, allowing the Committee a great deal of leeway in grantmaking within Michigan.⁴³⁵

While the Michigan Foundation was never established as an independent organization, it emerged as a designated "fund" within the Ford Foundation.⁴³⁶ In the fall of 1949, the Ford Foundation developed the Michigan Fund with a \$500,000 budget.⁴³⁷ By February 1950, the committee distributed over \$165,000 to Michigan-based organizations requesting grants.⁴³⁸ In total, the Michigan Fund supported the Edison Institute and sixteen other organizations in the state and specifically within the Metropolitan Detroit area.⁴³⁹ The Edison Institute received a \$16,100 portion of its 1951 funds from the Michigan Fund, fulfilling the last available grant dollars of the Fund's original \$500,000 budget. As a result, the Foundation's gift of "collectors' items for exhibition" became a designated financial grant ratified by the board of trustees in the annual report.⁴⁴⁰ The Michigan Fund made its remaining grants for 1952 through a limited

⁴³⁵ Letter to James B. Webber, Jr. from Oliver May, 25 September 1951, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

⁴³⁶ "Michigan Fund," Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; and Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

⁴³⁷ "Michigan Fund," Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; and Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

⁴³⁸ Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

⁴³⁹ "Michigan Fund," Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; Letter to Oliver May from James Smart, 5 July 1951, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; and Ford Foundation, Report of the study for the Ford Foundation on policy and program, Vol. 4, Staff Memo #6: "Proposed Michigan Foundation," (Detroit: Ford Foundation, 1949), Ford Foundation records, Rockefeller Archive Center.

⁴⁴⁰ Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; Attached Document – "Grants Made from Michigan Fund," Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1, Box 1, The Ford Foundation Fund Files, Ford

number of grants intended to address “problems relating to the general welfare of Metropolitan Detroit...such as [contributions] to the United Foundation...”⁴⁴¹ The Ford Foundation board terminated the Michigan Committee on June 30, 1953, eliminating the last vestiges of the Ford Foundation’s priorities in the Detroit area and Michigan.⁴⁴²

Evolving Leadership at the Ford Foundation

The Ford Foundation also implemented policy that significantly changed the Ford family’s leadership. In 1950, the Trustees amended the Ford Foundation’s Articles of Incorporation to formally separate the Ford family from control over the Foundation.⁴⁴³ Henry Ford II considered ceding the Ford family’s influence over the Foundation since the fall of 1948. However, he did not step down as president of the Ford Foundation until 1950, remaining as board chair of the Foundation.⁴⁴⁴ As a result, the Ford family maintained a governing role at the Foundation, while providing a means for the recruitment of increasingly professionalized management. During this interim period, Henry Ford II and the other trustees actively recruited non-family members and others not involved with the Ford Motor Company to join the board.⁴⁴⁵ This decision resulted in the Ford family decreasing its overall influence at the Foundation, as board members from other corporations and educational institutions gained increasing power within the organization. In later years, Henry Ford II regretted his decision to give up the family’s control of the Ford Foundation. Although the Foundation’s non-family board members

Foundation records, Rockefeller Archive Center; and Letter to Oliver May from James Smart, 5 July 1951, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

⁴⁴¹ Memorandum of the Meeting of the Michigan Committee, Ford Foundation, 19 December 1951, Folder 1: Fund Files – Michigan Fund Grants (Treasurer’s File), 1950-1954, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

⁴⁴² “Michigan Fund,” Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; and Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

⁴⁴³ Ford Foundation, *A Selected Chronology of the Ford Foundation*, 2.

⁴⁴⁴ Commentary By Unidentified Ford Foundation Official, William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 5; and K. Austin Kerr, “Ford, Henry, II,” *American National Biography*, vol. 8, 236.

⁴⁴⁵ Commentary By Unidentified Ford Foundation Official, William Greenleaf – *The Ford Foundation: The Formative Years* (Unpublished Manuscript), Box 1, Acc. #1189, 5.

and officials argued for the change in leadership, Henry II had no legal obligation to give up the family's influence.⁴⁴⁶ In deciding to relinquish family control, Henry Ford II released the Ford Foundation from its obligations to Michigan charities and the Ford family's charities, including the Edison Institute.⁴⁴⁷

In 1951, Paul G. Hoffman, the former head of Studebaker, formally began his role as the Ford Foundation's president and director.⁴⁴⁸ Hoffman changed the Foundation's presidency from a leadership role to a management position, and diffused leadership through a more formalized structure within the organization.⁴⁴⁹ Paul Hoffman had previously directed the Marshall Plan, providing economic assistance in Europe following World War II, while other Ford Foundation executives had served internationally. Their experience and expertise in international development informed the Foundation's programmatic growth globally.⁴⁵⁰

At the same time, B.J. Craig, the Foundation's long-time staff member, stepped down from his trusteeship.⁴⁵¹ The Ford Foundation expanded into an international foundation, ceasing its focus on Detroit and Michigan philanthropies in order to act upon the Gaither Report.⁴⁵² Under Paul Hoffman and Robert Maynard Hutchins, the Foundation significantly expanded its funding interests into foreign and domestic projects.⁴⁵³ By 1951, Hoffman insisted that the Foundation headquarters be moved out of Detroit and to Pasadena, California, Hoffman's

⁴⁴⁶ Hayes, *Henry: A Life of Henry Ford II*, 47.

⁴⁴⁷ Ibid.; and Bryan, *Friends, Families, & Forays*, 266.

⁴⁴⁸ Hayes, *Henry: A Life of Henry Ford II*, 47; and Ford Foundation Annual Report as of 31 December 1951, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, E.I. #57, 4, 5.

⁴⁴⁹ Peter G. Northouse, *Leadership: Theory and Practice*, Third Edition (Thousand Oaks, CA: SAGE Publications, 2004), 8-9; and David A. Nadler and Michael L. Tushman, "Beyond the Charismatic Leader: Leadership and Organizational Change," *California Management Review* 32, no. 2 (Winter 1990): 77, 81, 85.

⁴⁵⁰ Gary R. Hess, "Waging the Cold War in the Third World: The Foundations and the Challenges of Development," *Charity, Philanthropy, and Civility in American History*, ed. Lawrence J. Friedman and Mark D. McGarvie (New York: Cambridge University Press, 2003), 319-320.

⁴⁵¹ Ford Foundation Annual Report as of 31 December 1951, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, E.I. #57, 4.

⁴⁵² Bryan, *Friends, Families, & Forays*, 266.

⁴⁵³ Ibid.

hometown.⁴⁵⁴ Some people claimed that the Foundation's move also permitted Hoffman to find more likeminded "liberals" to assist him with the Foundation's new initiatives.⁴⁵⁵ The Foundation retained its financial offices in Detroit and opened an additional office in New York City to manage its grants and projects.⁴⁵⁶

As the Ford Foundation developed its programming and funding areas, some Ford dealers hoped to use the Foundation to their advantage in selling automobiles. However, Ford dealers across the country faced highly-organized boycotts of Ford products, in direct reaction to the Ford Foundation's activities.⁴⁵⁷ Hoffman's relatively liberal agenda upset the public, as well as the Ford family and Ford Motor Company executives.⁴⁵⁸

Henry Ford II and the other Foundation trustees arranged Hoffman's departure from the Foundation by the end of 1952.⁴⁵⁹ In 1953, the Foundation's Pasadena offices closed, consolidating its headquarters with the Foundation's other offices in New York City.⁴⁶⁰ As a result, Foundation staff saved significant time and resources travelling between opposite ends of the country to coordinate its activities. The Pasadena location never turned out to be the intellectual retreat Hoffman intended and instead resulted in an institution more commonly referred to by staff as the "Fund for the Advancement of Aviation," due to the travel

⁴⁵⁴ The Ford Foundation's headquarters was located at 914 East Green Street, Pasadena, California, as indicated on the Google map in Appendix C. Letter to William McPeak (Ford Motor Company) from Joseph M. McDaniel, Jr. (Assistant to the Director, Ford Foundation, 914 East Green Street, Pasadena 1, California), 2 July 1951, Folder 1: Fund Files – Michigan Fund Grants (Treasurer's File), 1950-1954, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center. See also Nielsen, *The Big Foundations*, 81; Hayes, *Henry: A Life of Henry Ford II*, 48; and Ford Foundation, *A Selected Chronology of the Ford Foundation*, 3.

⁴⁵⁵ Hayes, *Henry: A Life of Henry Ford II*, 48; and Ford Foundation, *A Selected Chronology of the Ford Foundation*, 3.

⁴⁵⁶ The Dearborn office of the Ford Foundation was located at 3331 Greenfield Road, as indicated on the Google map (Appendix C). "The Ford Foundation Annual Report for 1951," 31 December 1951, *Ford Foundation, Reports 1950-1952*, The Foundation Center Historical Foundation Collection, 8; Ford Foundation, *A Selected Chronology of the Ford Foundation*, 3; and Letter to Clifford B. Longley (Bodman, Longley, Bogle, Armstrong & Dahling, Buhl Building, Detroit, MI) from Oliver May (Treasurer), 4 March 1954, Folder 1: Fund Files – Michigan Fund Grants (Treasurer's File), 1950-1954, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

⁴⁵⁷ Nielsen, *The Big Foundations*, 83, 284.

⁴⁵⁸ *Ibid.*, 83.

⁴⁵⁹ Hayes, *Henry: A Life of Henry Ford II*, 49.

⁴⁶⁰ Ford Foundation, *A Selected Chronology of the Ford Foundation*, 4.

involved.⁴⁶¹ Eventually, the Foundation moved its remaining financial offices out of Dearborn, consolidating its operations in New York at 655 Madison Avenue before relocating to its present-day headquarters at 320 East 43rd Street in 1967.⁴⁶² Although established in 1936, the Ford Foundation emerged as the wealthiest philanthropic foundation in 1951.⁴⁶³ Following the public sale of Ford Motor Company nonvoting stocks in 1956, the Ford Foundation's endowment expanded further to become the largest of its kind in the world.⁴⁶⁴

The Impact of the Ford Foundation on the Edison Institute

With the changes in the Ford Foundation's leadership and funding areas, the Edison Institute recognized the impact of its changing relationship with the Foundation on its own funding. During the Foundation's first fourteen years, what Dwight Macdonald described as its "provincial period," the Ford Foundation gave away \$19 million.⁴⁶⁵ Of that total, the Edison Institute received \$12,852,500, with the Henry Ford Hospital, Detroit Symphony, and several other Michigan and American organizations receiving the balance.⁴⁶⁶ From the Foundation's founding in 1936 to its leadership change in 1951, the Ford Foundation contributed to the Edison Institute a total of \$18,924,721, including a larger than normal gift of \$5,072,221 in 1951 that

⁴⁶¹ Nielsen, *The Big Foundations*, 83.

⁴⁶² Ford Foundation, *A Selected Chronology of the Ford Foundation*, 10; Letter to Clifford B. Longley from Oliver May, 4 March 1954, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; and Letter to Porter McKeever (Director, Office of Reports, Ford Foundation, 655 Madison Ave., NY, NY) from Theodore H. Mecke, Jr., (Special Assistant to the Director, Office of Public Relations, Ford Motor Company), 8 December 1953, Folder 1: Fund Files – Michigan Fund Grants (Treasurer's File), 1950-1954, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

⁴⁶³ Hess, "Waging the Cold War in the Third World," *Charity, Philanthropy, and Civility in American History*, 319.

⁴⁶⁴ Peter D. Hall, "The Welfare State and the Careers of Public and Private Institutions Since 1945," *Charity, Philanthropy, and Civility in American History*, 367; Letter Re: "Personal Services Performed by Ford Motor Company" to Members of the Administration Committee from T. O. Yntema, 27 February 1956, Folder – Administration Committee, Box 12, Accession 2003.146, Lewis D. Crusoe Papers, Benson Ford Research Center; and Letter to K.D. Cassidy, R.W. Dulmage, J. B. Sluiter, V.Y. Tallberg from Henry Ford II, 28 August 1952, Folder – Administration Committee, Box 12, Acc. #2003.146.

⁴⁶⁵ Macdonald, *The Ford Foundation: The Men and the Millions*, 130-131.

⁴⁶⁶ *Ibid.*, 130; and "Ford Foundation Contributions," Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216. See Appendix D.

served as a terminal grant.⁴⁶⁷ With the Gaither Report's changed priorities, the Ford Foundation realized that it needed to end its relationship with the Edison Institute. However, it waited to make its terminal grant until after the death of Clara Ford. As a result, the Gaither Report's implementation represented a significant transition of the Ford Foundation's grantmaking activity away from the Edison Institute and other Michigan-based organizations.⁴⁶⁸

Between 1936 and 1950, the Edison Institute became dependent upon the Ford Foundation as the basis of its financial stability. In 1936, Henry Ford transferred the fiscal responsibility of the Edison Institute from his personal funds to the Ford Foundation. Regular correspondence between the business manager of the Edison Institute and B.J. Craig of the Ford Foundation carried monthly requests to cover the Institute's operating losses. The Edison Institute staff sent telegram-sized letters to the Foundation stating, for example, "We would appreciate receiving funds in the amount of \$150,000 to cover the operations of The Edison Institute for the month of October, 1950."⁴⁶⁹ The indicated monthly amount came out of a formerly approved annual contribution from the Foundation. In 1950, this contribution totaled \$1 million for maintenance and operations due in monthly installments.⁴⁷⁰

Between the Edison Institute's establishment and 1950, it received funding from only seven sources, including Henry, Clara, and Edsel Ford (\$15,016,294 in total); the Ford Foundation (\$13,742,500), Ford Motor Company (\$3,293,710); Ford Dealers (\$2,571); and Orville Wright (\$1,000).⁴⁷¹ In total, they contributed \$32,056,075 over approximately 20

⁴⁶⁷ The details of the terminal grant are described at a later point in this chapter. See Appendix D for a full listing of Ford Foundation contributions to the Edison Institute during this period. "Ford Foundation Contributions," Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

⁴⁶⁸ "The Edison Institute," Marcia Thompson, Ford Foundation Records Center, 9 May 1966, The Edison Institute, Ford Foundation Grant 36-234, Reel 1191, Ford Foundation records, Rockefeller Archive Center, 3.

⁴⁶⁹ Letter to B. J. Craig (Secretary and Treasurer, Ford Foundation) from Emil A. Ulbrich, 25 September 1950, Folder – Requests for Funds, Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115.

⁴⁷⁰ Letter to L. J. Thompson (Assistant Treasurer, Edison Institute) from B. J. Craig (Secretary and Treasurer, Ford Foundation), 27 February 1950, Folder – Requests for Funds, Box 1 – Office Files, Emil Ulbrich Executive Files, E.I. #115.

⁴⁷¹ "The Edison Institute: A Request to Ford Motor Company," 1956?, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216, 2.

years.⁴⁷² These funds largely provided for the Institute's operating loss (\$14,304,824), buildings and equipment (\$11,148,836), and exhibits (\$5,255,787), in addition to land, transportation equipment, and other capital items.⁴⁷³ During this period, the Ford Foundation nearly matched the philanthropic giving of the Ford family in supporting the Edison Institute. The family, their company, and philanthropies provided the vast majority of contributed support toward the Institute's operations during its first several decades.

The Foundation averaged \$1 million in granted funds to Michigan philanthropic organizations annually between 1936 and 1950.⁴⁷⁴ Based on records of annual Foundation contributions kept by Edison Institute staff, the Institute received an average total of \$923,500 per year, with the remaining \$75,000 each year going to other Michigan organizations, including those established by the Ford family.⁴⁷⁵ These financial records illustrate to what extent the Ford Foundation invested its contributions into the Edison Institute as a significant portion of its overall giving strategy prior to its change in leadership and funding goals.

By November 6, 1950, the Ford Foundation sent an intended terminal grant to the Edison Institute totaled approximately \$5 million. This grant ended the Ford Foundation's regular coverage of the Institute's operating expenses, including approximately \$218,539 that arrived for the first quarter of 1951.⁴⁷⁶ Following the Ford Foundation's restructuring and opening of its

⁴⁷² Ibid.

⁴⁷³ Ibid.

⁴⁷⁴ See Appendix D for a full listing of Edison Institute contributions from the Ford Foundation. Richard Magat, *The Ford Foundation at Work: Philanthropic Choices, Methods, and Styles* (New York: Plenum Press, 1979), 18.

⁴⁷⁵ Based on these values, the Edison Institute received approximately 92.5% of the Ford Foundation's annual grants during this period. However, the Foundation directed \$94.8 million to the Henry Ford Hospital between 1950 and 1977, far surpassing its total giving to the Edison Institute of \$39.0 million between 1936 and 1973. Ibid., 191. Also see Appendix D. "Ford Foundation Contributions," Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

⁴⁷⁶ Letter to A.K. Mills (Executive Director, The Edison Institute) from B.J. Craig (Secretary and Treasurer, Ford Foundation, Detroit), 8 February 1951, Folder – Ford Foundation – Henry Ford Estate, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, E.I. #57; and Letter to Allen W. Merrell (Chairman, Operating Committee, Ford Motor Company Fund) from A.K. Mills (Executive Director, Edison Institute), 7 June 1951, Folder – Fund Requests – GV from FMC – 1951-1959, Box 1, Donald Shelley Papers, E.I. #216.

office in New York City, the only evidence of the Foundation's support of the Edison Institute comes in a relatively small grant of \$56,426 indicated in the Foundation's 1951 Annual Report. Among the long list of projects, the Edison Institute received "collectors' items for exhibition," one of the few domestic grants and the only one to retain any connection to the Ford family's previous Foundation-based philanthropy.⁴⁷⁷ This final Institute-directed grant, comprised of historical artifacts the Ford family originally bequeathed to the Foundation, marked the end of an era for the Foundation's support of Michigan organizations, and especially its relationship with the Edison Institute.⁴⁷⁸

Conclusion

The deaths of Clara, Edsel, and Henry Ford resulted in significant changes in leadership at both the Edison Institute and Ford Foundation. As the founding family of these organizations, they had established a tradition of leadership and philanthropy intended to sustain these institutions for future generations. However, their deaths resulted in a significant shift in the strategy and funding of both organizations. Henry Ford's grandsons served as the next generation of Ford family leaders, dividing governing and management responsibilities between the board and staff at both institutions. This change resulted in the evolution of Henry Ford's founding

⁴⁷⁷ "The Ford Foundation Annual Report for 1951," 31 December 1951, *Ford Foundation, Reports 1950-1952*, The Foundation Center Historical Foundation Collection, 20; Letter to A.K. Mills (Executive Director, The Edison Institute) from Oliver May (Secretary-Treasurer, Ford Foundation, New York), 8 August 1951, Folder – Ford Foundation – Henry Ford Estate, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, E.I. #57; Letter to A.K. Mills (Executive Director, The Edison Institute) from Oliver May (Secretary-Treasurer, Ford Foundation, New York), 21 August 1951, Folder – Ford Foundation – Henry Ford Estate, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, E.I. #57.

⁴⁷⁸ Letter to A.K. Mills from Oliver May, 8 August 1951, Folder – Ford Foundation – Henry Ford Estate, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, E.I. #57; Letter to A.K. Mills from Oliver May, 21 August 1951, Folder – Ford Foundation – Henry Ford Estate, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, E.I. #57; Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; Attached Document – "Grants Made from Michigan Fund," Ford Foundation Interoffice Memorandum to Mr. Gordon from Oliver May, 18 November 1953, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; and Letter to Oliver May from James Smart, 5 July 1951, Folder 1, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

leadership style to accommodate a significant generational transition. They also implemented increasingly professionalized and management-driven structures, based on the hiring of externally-based executive directors and presidents. As a result, the Ford Foundation became increasingly less reliant on the Ford family's leadership and philanthropic strategy. The Edison Institute recognized the subsequent threat to its funding and survival, as the Fords had designed the Institute to depend on the Ford Foundation following Henry and Edsel's deaths. The first two generations of the Ford family built compatible and dependent leadership and philanthropic strategies at the Ford Foundation and the Edison Institute. However, the third generation relinquished their grandfather's autocratic leadership style to implement an increasingly professionalized model that resulted in the divergence of these philanthropic organizations and the end of the Ford Foundation's support of the Edison Institute. The third generation's emphasis on professionalized corporate and philanthropic activity would continue to influence the growth of the Edison Institute in future years. Altogether, the Ford family's generational transition forced the Institute to evolve, based on a movement away from its founding leadership and philanthropy, and toward an increasingly professionalized approach that would best ensure its long-term survival.

CHAPTER FOUR: DEPENDING ON THE FORD MOTOR COMPANY

Introduction

After the deaths of the first two generations of Ford family members, Henry Ford's grandsons took on an increasing role in the family's corporate and philanthropic activity. Based in part on the advice of museum professionals from across the country, this generation implemented a new leadership and funding strategy that relied more heavily on the use of professional staff at the Institute to improve its operations and make the organization competitive with museums across America. As part of a plan to build an endowment and become increasingly sustainable, the Institute turned to the Ford Motor Company for a significant portion of its support. Much of the Company's philanthropy funding derived from the creation of the Ford Motor Company Fund by the Ford family members, who served as Company executives. In addition, the Company provided vital in-kind support and other gifts to the Institute that further enhanced the organization's work in the museum field. The Edison Institute's professional staff assumed a significant role in stabilizing the organization, especially as it navigated increasingly unpredictable relationships with other Ford enterprises.

Building the Institute's Identity and Strategy

The 1950s marked a period of new identity and operating strategy for the Edison Institute. Although the organization retained its legal identity as "The Edison Institute," the museum was renamed as the Henry Ford Museum in 1952 to honor its founder. The combined Henry Ford Museum and Greenfield Village emerged as a growing institution of American history and technology.⁴⁷⁹ Benson Ford served as president of the Edison Institute for the brief period between 1947 and 1951, directly preceding the institution's name change. During this

⁴⁷⁹ Jeanine Head Miller and others, *Telling America's Story: A History of the Henry Ford*, ed. Judith E. Endelman and Wendy Metros (Virginia Beach, VA: Donning Company Publishers, 2010), 95, 97.

time, Clara Ford's influence declined and her grandsons began taking on increasing board responsibilities at the Institute. As part of this leadership transition, the Edison Institute developed the beginnings of a professionalized staff and organizational structure that moved away from Henry Ford's leadership style.⁴⁸⁰ Part of the Edison Institute's greatest challenge during this period came in defining itself beyond the day-to-day vision and direction of Henry Ford. Over the years, the Institute staff and board members sought external perspectives concerning what should be done at the Institute and how to best carry out the Institute's purposes.

Following the Heller Report in 1947, the Edison Institute continued to pursue external feedback, in order to design a strategy for its future.⁴⁸¹ In early April 1951, Allston Boyer, Assistant to the President of Colonial Williamsburg, sent a multi-page report to the Edison Institute following his extensive tour of the Institute's facilities and organization. His reaction and suggestions served as one of the most comprehensive consulting reports produced by external museum experts regarding the future direction of the Edison Institute.⁴⁸² However, other experts from universities and museums across the country also provided important commentary and feedback to the Institute's staff. From these experts' combined perspectives, the Edison Institute's staff gained a more well-rounded view of the Institute's strategy and operations in comparison to other museums nationally.⁴⁸³

The Institute's staff and board looked to other sources for assistance in developing the organization's strategy. As the Edison Institute began to professionalize its staff and initiatives, the American Association of Museums (AAM) became an increasing part of the Institute's

⁴⁸⁰ Geoffrey C. Upward, ed., *A Home for Our Heritage: The Building and Growth of Greenfield Village and Henry Ford Museum, 1929-1979* (Dearborn, MI: The Henry Ford Museum Press, 1979), 176.

⁴⁸¹ Draft Proposal Report for Edison Institute by Robert Heller & Associates, 1947, Consultant's Reports, Box 1, Accession #113, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029.

⁴⁸² Report on E.I. by Allston Boyer, 3 April 1951, Consultant's Reports, Box 1, E.I. #113.

⁴⁸³ Report and Proposal to E.I., Dr. R.C. Miller, (History Department, Wayne University), 26 March 1951, Consultant's Reports, Box 1, E.I. #113; Report, A.C. Carlton of the Franklin Institute, 11 May 1953, Consultant's Reports, Box 1, E.I. #113; Abbott L. Cummings Report on "Webster House" and "Secretary House," 15 Feb 1957, Consultant's Reports, Box 1, E.I. #113; and Charles Montgomery, Comments on Henry Ford Museum, 24 October 1960, Consultant's Reports, Box 1, E.I. #113.

activity. The Institute staff utilized AAM's books and publications, especially Dr. Laurence Vail Coleman's *The Museum in America*, for reference in developing and professionalizing the Institute.⁴⁸⁴ Similarly, members of the Ford family corresponded with the Rockefellers on issues pertaining to both the Edison Institute and Colonial Williamsburg, a relationship that included institutional staff.⁴⁸⁵ In response to ongoing conversations between staff of both museums, Edison Institute staff sent an early colonial beehive to Colonial Williamsburg in 1950.⁴⁸⁶ The correspondence between these museums served to further best practices known at the time and navigate challenges within these organizations.

Defining the Future of the Edison Institute

Without Henry Ford's daily management of the Institute, the organization was left to reevaluate its mission and purpose. In 1950, Hayward Ablewhite described the Edison Institute's purpose as being focused on providing an educational portrayal of America's development and "to nurture in this generation a veneration of the past."⁴⁸⁷ Dr. Raymond Miller of Wayne University's History Department submitted a report to the Institute in 1951 in which he seconded Ablewhite's statement regarding the Institute's educational purpose. However, he took it one step further in declaring that the Institute should create for itself "a unique position of national significance."⁴⁸⁸ Dr. Miller recommended the development of the Edison Institute into a "national institute of research and training" related to America's industrial and technological development, comparable to the Smithsonian. Through the development of study collections and

⁴⁸⁴ Letter to Laurence Coleman (Director, American Association of Museums) from Hayward S. Ablewhite (Director of Interpretations, Edison Institute), 29 May 1951, Folder – American Association of Museums, Box 1, Accession #134, Edison Institute Collection, Benson Ford Research Center.

⁴⁸⁵ Departmental Communication to Benson Ford (President, Edison Institute) from Hayward S. Ablewhite, 16 March 1950, Folder – President's Office, Box 1, E.I. #134.

⁴⁸⁶ Ibid.

⁴⁸⁷ Letter to Benson Ford (President, Edison Institute) from Hayward S. Ablewhite, 9 November 1950, Folder – President's Office, Box 1, E.I. #134.

⁴⁸⁸ Present-day Detroit-area residents know Wayne University as Wayne State University. Report and Proposal to E.I., Dr. R.C. Miller, 26 March 1951, Consultant's Reports, Box 1, E.I. #113.

both high school and college curriculums, Miller's suggestions indicated one way the Institute could serve a national audience beyond the scope of its exhibits.⁴⁸⁹

Allston Boyer of Colonial Williamsburg also wrote extensively about the need to define the Edison Institute, particularly in terms of connecting the otherwise seemingly-divergent purposes of the Museum and Village. He explained that defining the Institute's purpose would provide the framework on which future strategy and growth could be built.⁴⁹⁰ Similar to modern practitioners' emphasis on vision and mission statements, Boyer's "definition" outlined the goals of the Institute, including its "rightful place in the field of great American museums."⁴⁹¹

Boyer's intent in describing the Institute's primary purpose was to resolve the vast confusion concerning the institution's identity.⁴⁹² Henry Ford's vision for the Institute resisted the clarity that Boyer sought from the organization. The Museum itself focused on both industrial history and fine and decorative arts, although Boyer preferred the elegant simplicity of the Institute presenting "the history of . . . all phases of mechanization, which have contributed to the greatness of our country and to the betterment of our daily life."⁴⁹³ In comparison, Henry Ford's collections of toys, decorative arts, weaponry, and watches served as quirky extensions of his personal collection, which Boyer did not see as fitting with the Museum's industrial emphasis.⁴⁹⁴ Likewise, Boyer found that the Village's purpose defied any description provided in marketing materials and internal documents, primarily that of a nineteenth-century village. He stated "You are none of the things you say you are—exactly."⁴⁹⁵ Out of pure necessity, Boyer pointed again to Henry Ford's influence in creating the Village, stating it to be a "living memorial" of his friends and fellow "great men."⁴⁹⁶

⁴⁸⁹ Ibid.

⁴⁹⁰ Report on E.I. by Allston Boyer, 3 April 1951, Consultant's Reports, Box 1, E.I. #113, 1.

⁴⁹¹ Ibid.

⁴⁹² Ibid.

⁴⁹³ Ibid., 2-3.

⁴⁹⁴ Ibid.

⁴⁹⁵ Ibid., 3.

⁴⁹⁶ Ibid., 4.

Another consulting expert in 1954 took the concept of the Institute's definition one step further than Boyer. By that year, the Institute was called Henry Ford Museum and Greenfield Village, presenting multiple, sometimes conflicting, names for the organization.⁴⁹⁷ This observer recommended the Institute be known as "The Henry Ford Village," in order to capitalize on the "Ford" name and the nostalgic essence of a village.⁴⁹⁸ Ironically, this recommendation and several other typewritten correspondences presented renditions of "The Henry Ford" name decades before the brand was implemented in 2003.⁴⁹⁹

Staffing

Charles Montgomery of Henry du Pont's Winterthur Museum commented specifically in his report on the hard-working nature of the Edison Institute staff. The Institute's extensive collections provided a workload significantly beyond that encountered by comparable staff members at other museums.⁵⁰⁰ However, Allston Boyer of Colonial Williamsburg recommended that the Institute continue to build its staff, especially in hiring "experts" for its curatorial staff.⁵⁰¹ He believed that the Institute would greatly benefit from top-quality employees throughout the organization and similarly excellent reference material in its libraries.⁵⁰² As part of this overall expansion, Boyer recommended creating a designated Institute "personnel director" position external to the Ford Motor Company.⁵⁰³ This person would develop more standardized staffing procedures, as the Institute previously had problems with salary levels and strikes. Boyer intended his recommendations to help the Institute obtain a more professional infrastructure and allow the executive director to focus on other administrative tasks.⁵⁰⁴

⁴⁹⁷ Miller, *Telling America's Story*, 95; and Observation on Village, Vrest Orton, 25 January 1954, Consultant's Reports, Box 1, E.I. #113.

⁴⁹⁸ Observation on Village, Vrest Orton, 25 January 1954, Consultant's Reports, Box 1, E.I. #113.

⁴⁹⁹ *Ibid.*; and Miller, *Telling America's Story*, 97.

⁵⁰⁰ Charles Montgomery, Comments on Henry Ford Museum, 24 October 1960, Consultant's Reports, Box 1, E.I. #113.

⁵⁰¹ Report on E.I. by Allston Boyer, 3 April 1951, Consultant's Reports, Box 1, E.I. #113, 9.

⁵⁰² *Ibid.*

⁵⁰³ *Ibid.*, 11.

⁵⁰⁴ *Ibid.*

Finances

Consulting museum professionals who visited the Edison Institute quickly realized its financial challenges. Boyer, in particular, struggled with understanding the Institute's annual deficit.⁵⁰⁵ During the 1930s and 1940s, Colonial Williamsburg received a significant portion of its funding from visitor-related income sources.⁵⁰⁶ However, Williamsburg continued to struggle with similarly large annual deficits and insufficient fee-based income to cover the organization's expenses.⁵⁰⁷ The Institute depended much less on similar fees and continued to utilize the funding structure inherited from Henry Ford's leadership. While Boyer understood the Institute's past system of financial support, he encouraged the Institute to consider a funding strategy closer to that of Colonial Williamsburg by developing public support to ensure its future.⁵⁰⁸

The Institute functioned as a unique institution that illustrated America's industrial progress. Ironically, Boyer described significant inefficiencies in the maintenance, staffing, and overall financial policies of the institution. The Institute's costs appeared needlessly excessive without the use of "modern" procedures for heating buildings, cleaning floors, and staffing museum tours.⁵⁰⁹ Boyer recommended that the Institute's director use monthly income and expense reports, in order to best understand the costs involved in each of the organization's activities. While Ablewhite implemented a budget during his tenure as director, the Institute still needed to implement further structure and financial procedures to best understand its total operations.⁵¹⁰

⁵⁰⁵ Ibid., 5.

⁵⁰⁶ Anders Greenspan, *Creating Colonial Williamsburg: The Restoration of Virginia's Eighteenth-Century Capital* (Chapel Hill, North Carolina: University of North Carolina Press, 2009), 63.

⁵⁰⁷ Ibid., 109.

⁵⁰⁸ Report on E.I. by Allston Boyer, 3 April 1951, Consultant's Reports, Box 1, E.I. #113, 5.

⁵⁰⁹ Ibid., 5.

⁵¹⁰ Ibid., 6; and Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1 – Ablewhite, Hayward S. – 1962 #1, Box 4 – Hayward Ablewhite Reminiscences, 1940-1962, Accession #167- Oral Histories Memoirs Reminiscences, Edison Institute Collection, Benson Ford Research Center, 17-18.

Earned Income

Earned income, including admission fees, memberships, and fees for other visitor amenities, made up a significant portion of other American museums' funding during this period. Through correspondence with the executive director of the Franklin Institute of the State of Pennsylvania in 1953, the Edison Institute gained insight into the financial challenges of museums in other large cities. The concept of "sponsored permanent exhibits" served as a means for museums in Chicago and Philadelphia to gain much-needed funding. However, the Franklin Institute's executive director claimed that the Edison Institute was fortunate in not having such "financial problems."⁵¹¹

Boyer disagreed with this assessment of the Institute's finances. He saw many opportunities for the Edison Institute to expand its "income producing activities."⁵¹² He particularly recommended the development of bicycle rentals and refreshment areas in the Village and a gift shop to provide souvenirs, camera film, and other necessities for tourists.⁵¹³ While the Institute had started a dining facility in the Village, Boyer did not find it to be sufficient to handle the number of visitors to the institution.⁵¹⁴ In addition, he recommended the Institute sell its duplicate and extraneous collections in its own "antique shop," instead of following the practice of other museums of the day in selling these objects through auctions.⁵¹⁵ Boyer justified this idea by stating that it "would make more money...and have much less paperwork."⁵¹⁶ These recommended strategies built upon Boyer's concept of increasing the Institute's public support, in keeping with the Institute's peer museums across the country.

⁵¹¹ Report, A.C. Carlton of the Franklin Institute, 11 May 1953, Consultant's Reports, Box 1, E.I. #113..

⁵¹² Ibid., 11.

⁵¹³ Report on E.I. by Allston Boyer, 3 April 1951, Consultant's Reports, Box 1, E.I. #113, 11-12.

⁵¹⁴ Ibid., 11-12.

⁵¹⁵ Ibid., 11.

⁵¹⁶ Ibid.

Leadership in the Museum Field

Overall, consulting experts agreed that the Institute did not recognize its potential leadership role in the museum field. Dr. Miller of Wayne University claimed that the Edison Institute did not perceive its own significance.⁵¹⁷ He stated that the Institute served as “the greatest museum of its kind in the world,” and should consider ways to expand its reach and influence as an educational facility.⁵¹⁸ The Institute’s director would, he thought, “have a standing equivalent to that of a university president,” due to the prestige of the organization and its underlying role to teach the public.⁵¹⁹ Dr. Miller recommended the expansion of the Institute’s cadre of curators and other experts, to develop educational programs to train teachers, researchers, and scholars, based on the Institute’s collections on American history and technology.⁵²⁰

Boyer similarly expressed the need for the Institute to take advantage of its unparalleled opportunity to fill a much-needed niche in the field of museums and educational institutions. He stated that: “This Institute is comprised of the stuff and substance which has made America great. You can show men, women, and children the origin of, development and growth of every phase of mechanization, electronics, agriculture, and industry—four elements which have contributed to make our country the power it is in the world today.”⁵²¹ After Henry Ford’s death, the Institute’s future depended on its staff implementing increasingly professionalized leadership and funding strategy, in order to ensure its future success in the museum field.

⁵¹⁷ During this period, Dr. Miller served as chair of the History Department faculty at Wayne University in Detroit. The school was later renamed Wayne State University. See Report and Proposal to E.I., Dr. R.C. Miller, 26 March 1951, Consultant’s Reports, Box 1, E.I. #113.

⁵¹⁸ Ibid.

⁵¹⁹ Ibid.

⁵²⁰ Ibid.

⁵²¹ Report on E.I. by Allston Boyer, 3 April 1951, Consultant’s Reports, Box 1, E.I. #113, 2.

Leadership at the Edison Institute: A Separation of Powers

The Ford family continued to have a significant presence at the Edison Institute. However, the leadership of the third generation emphasized their governance, leaving room for the expansion of staff-based management of the institution. William Clay Ford, Henry Ford's youngest grandson, took over as president of the Edison Institute's board in 1951. He served as president and chairman for 38 years, leading the Institute during a period of increasing staff professionalism, family-based governance, and institutional growth.⁵²² The Museum's Hall of Technology was later renamed the William Clay Ford Hall of American Innovation in honor of his extensive service to the organization.⁵²³

William Clay Ford's tenure as board president witnessed significant changes in the governance and support of the Institute. During the 1950s, the Ford Foundation, created by William's father and grandfather, avoided supporting many of its original projects. However, several small projects were supported on a case-by-case basis. In March of 1957, William Clay Ford wrote to the Ford Foundation requesting funds to restore the Henry Ford's Wayside Inn in South Sudbury, Massachusetts following a devastating fire. The Foundation responded with a \$25,000 grant administered through the Edison Institute, with the same strict stipulations applicable to any standard grant made by the Foundation. Under the new Ford Foundation leadership, this professionalized style of grant became the norm and the Ford family's influence continued to decline.⁵²⁴

⁵²² Miller, *Telling America's Story*, 88.

⁵²³ *Ibid.*, 121.

⁵²⁴ Letter to Donald A. Shelley (Executive Director, Edison Institute) from Secretary (Ford Foundation, New York), 29 March 1957, Folder – Fund Requests – GV from FMC – 1951-1959, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center; and The Wayside Inn, Granted 26 March 1957, Ford Foundation Grant 57-171, Reel 1011, Ford Foundation records, Rockefeller Archive Center.

Professionalizing the Institute's Staff

The 1950s served as a time of increasing professionalization among the Institute's staff. However, many of the early staff maintained a close connection to the Fords. The Institute's first executive director, A.K. Mills, was hired from the Ford Motor Company to take over the operations of the Museum and Village. A close friend of Henry Ford II, Mills attempted to implement professionalized strategies at the Institute and gain perspective concerning museum activity around the world, resulting in an extensive tour of 30 European museums.⁵²⁵ Mills' report on his fall 1953 trip to Europe indicated which museums inspired ideas for use at the Edison Institute. For example, he noted how the Victoria and Albert Museum in England divided large rooms into smaller sections, while the Institute's creation of a study collection, intended for public use and distinct from exhibition-quality collections, originated from the Folke Museum and Village in Norway.⁵²⁶ Mills implemented established business practices and hired professional staff members, including Donald Shelley, who served as curator of fine arts beginning in 1952. When Mills died suddenly in 1954, Donald Shelley replaced him as executive director, remaining at the head of the Institute for the next twenty-two years."⁵²⁷

Donald Shelley stood out within the Edison Institute's management, due to his origins as an experienced and highly-trained museum professional, rather than having previously served with the Ford Motor Company or the Ford family. He graduated from Pennsylvania State University in art (1932), received an MA from Harvard University in art history (1933), and earned a Ph.D. from New York University in American art (1953) during the early part of his tenure at the Edison Institute. Before arriving at the Institute, Shelley served in curatorial and

⁵²⁵ Miller, *Telling America's Story*, 88.

⁵²⁶ Report on Trip to European Museums by A.K. Mills (Executive Director, Edison Institute), Folder – 1953, Fall. European Museums – A.K. Mills, Internal Reports, Box 1, Accession #112, Edison Institute Collection, Benson Ford Research Center.

⁵²⁷ Miller, *Telling America's Story*, 88; and Upward, *A Home for Our Heritage*, 137.

director positions at museums in New York and Pennsylvania.⁵²⁸ He became a well-known professional in the museum field throughout his career, serving as vice president of the American Association of Museums' board during the mid-1960s.⁵²⁹

Upon being offered his curatorial position at the Institute, Shelley remarked to A. K. Mills: "As you know, I have very deep convictions about America in general, and museum work in particular, and I shall certainly do everything in my power to help you make the Institute the best museum in this country. The only way I know to tell you how I feel at this moment ... is to say that I try not to think about it too long because I get too excited about the good things we can do for the people, and the country."⁵³⁰ Donald Shelley described the Edison Institute as "“Americana unlimited,”” the perfect setting in which to better understand America's past and utilize museums as ““the greatest untapped educational resource in this nation.””⁵³¹ His position included an initial annual salary of \$8,800 as of January 1, 1952 and a request from the Edison Institute staff to continue his renowned lectures on American arts, as well as his affiliations with museum directors and dealers across the country.⁵³²

Shelley's affiliations with the national museum community provided a vital resource to the Edison Institute. He lectured nationally, including regular presentations at the Williamsburg Antiques Forum. Shelley also worked with Ima Hogg on the Bayou Bend Advisory Committee

⁵²⁸ Pennsylvania State University "Distinguished Alumni Awards for 1972," Folder – Donald Shelley Bio, Box 1, Donald Shelley Papers, E.I. #216; and Letter to A. K. Mills from Donald A. Shelley, 17 November 1951, Folder – Edison Institute, Box 2, Donald Shelley - Administrative Files (Unprocessed), Accession #2008.27. Benson Ford Research Center.

⁵²⁹ Pennsylvania State University "Distinguished Alumni Awards for 1972," Folder – Donald Shelley Bio, Box 1, Donald Shelley Papers, E.I. #216; Fine Arts Department Activities for June 1953, Folder – Fine Arts Dept. Activities, 1953-1954, Box 1, Donald Shelley Papers, E.I. #216; and Fine Arts Department Activities for January 1954, Folder – Fine Arts Dept. Activities, 1953-1954, Box 1, Donald Shelley Papers, E.I. #216.

⁵³⁰ Letter to A. K. Mills from Donald A. Shelley, 17 November 1951, Folder – Edison Institute, Box 2, Donald Shelley - Administrative Files (Unprocessed), Acc. #2008.27.

⁵³¹ Pennsylvania State University "Distinguished Alumni Awards for 1972," Folder – Donald Shelley Bio, Box 1, Donald Shelley Papers, E.I. #216.

⁵³² Letter to Donald A. Shelley (Boyertown, PA) from A.K. Mills (Executive Director, The Edison Institute), 13 November 1951, Folder – Edison Institute, Donald Shelley - Administrative Files (Unprocessed), Acc. #2008.27.

for the Houston Museum of Fine Arts. Through these experiences, Shelley further solidified the Edison Institute as part of a network of nationally-respected museums.⁵³³

In 1954, nationally-renowned historian Abbott Lowell Cummings invited Shelley to represent the Edison Institute within a special issue of *Art in America* alongside six other outdoor museums. Cummings hoped to use this compilation of articles to show the impact of individual collectors and philanthropists in developing some of America's greatest collections and museums. He believed that the influence of these individuals served as the "common denominator" among such well-respected institutions as Colonial Williamsburg (Virginia), the Farmer's Museum at Cooperstown (New York), Mystic Seaport (Connecticut), Old Deerfield (Massachusetts), Old Sturbridge Village (Massachusetts), and Shelburne Museum (Vermont).⁵³⁴ As a result, Shelley helped to build the Institute's reputation as a peer organization to America's most renowned museums.⁵³⁵

Shelley was not afraid to draw direct comparisons between the Edison Institute and Colonial Williamsburg. In the 1950s, he stated in his correspondence that the Institute's attendance "is considerably larger than that of [Colonial] Williamsburg; and during the current year ... we may come pretty close to a million."⁵³⁶ As of 1954, the Edison Institute received 437,940 visitors to Henry Ford Museum and 375,675 guests to Greenfield Village. In

⁵³³ Pennsylvania State University "Distinguished Alumni Awards for 1972," Folder – Donald Shelley Bio, Box 1, Donald Shelley Papers, E.I. #216; Fine Arts Department Activities for June 1953, Folder – Fine Arts Dept. Activities, 1953-1954, Box 1, Donald Shelley Papers, E.I. #216; Fine Arts Department Activities for January 1954, Folder – Fine Arts Dept. Activities, 1953-1954, Box 1, Donald Shelley Papers, E.I. #216; and Letter to Donald A. Shelley (Henry Ford Museum) from Ima Hogg (Bayou Bend, Houston, Texas), 5 January 1961, Folder – Correspondence, Memos, Lists, Auction Catalogs, 1961, Box 1, Donald Shelley Papers, E.I. #216.

⁵³⁴ Cummings refers to "Old Deerfield," more commonly known as Historic Deerfield in the present day. Letter to Donald A. Shelley from Abbott Lowell Cummings, 1 November 1954, Folder – Correspondence – A – 1952-1955, Box 1, Donald Shelley Papers, E.I. #216.

⁵³⁵ See Brittany L. Miller, "A Mechanism of American Museum-Building Philanthropy, 1925-1970" (MA thesis, IUPUI, 2010) for additional information on the similar creation of these institutions by American museum-building philanthropists during the mid-twentieth century.

⁵³⁶ Letter to Carl Drepperd (Bronxville, New York) from Donald A. Shelley (Curator of Fine Arts, Edison Institute), 9 July 1952, Folder – Correspondence – B – 1952-1955, Box 1, Donald Shelley Papers, E.I. #216.

comparison, Colonial Williamsburg had a total visitation of 301,000 and Mystic Seaport had 90,000 visitors during that year.⁵³⁷

The Edison Institute experienced consistent increases in annual visitor attendance between 1954 and 1966. However, 1967 marked a perfect storm of external challenges that impacted attendance. Outweighing competing attractions opportunities that year and poor weather conditions, the Detroit Race Riots during July of 1967 decimated travel and tourism throughout the metropolitan area. Due to these factors, the Institute saw a decline of over a quarter of a million visitors during that year.⁵³⁸

Under Shelley's leadership, the Edison Institute's Michigan Antiques Lecture series and Midwest Antiques Forum expanded during the 1950s and 1960s to include some of America's foremost experts in museums and collecting. Museum directors, collectors, dealers, and scholars travelled to the Edison Institute each year to share their expertise and visit the Institute. Henry du Pont of Winterthur Museum; Charles van Ravensway of Old Sturbridge Village; Henry Flynt of Historic Deerfield; Ralph Carpenter of the National Trust for Historic Preservation; and Katharine Prentis Murphy, a major collector and donor to the New York Historical Society and Shelburne Museum; and others from around the world contributed to the knowledge of museum building and collecting activity through their visits and lectures at the Edison Institute.⁵³⁹

⁵³⁷ Research Letter Re: Ford Rotunda Visitors from Robert O. Dunn (Research and Information Services, Office of Public Relations, Ford Motor Company), 22 June 1954, Folder – FMC – General, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, Accession #57, Edison Institute Collection, Benson Ford Research Center.

⁵³⁸ Letter to Allen W. Merrell (Vice President, Ford Motor Company Fund) from Donald A. Shelley, 20 November 1967, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216.

⁵³⁹ Edison Institute Program 1956-1957, Annual Report 1956-1957, Box 1: 1938-1961, Accession #110, Edison Institute Collection, Benson Ford Research Center; Annual Report 1957-1958, Box 1: 1938-1961, E.I. #110; Annual Report, Edison Institute Program, 1958-59, Box 1: 1938-1961, E.I. #110; Annual Report, Edison Institute Program, 1959-60, Box 1: 1938-1961, E.I. #110; Annual Report, Edison Institute Program, 1960-61, Box 1: 1938-1961, E.I. #110; Annual Report 1962-63, Box 2: 1961-1964 and 1977-1979, E.I. #110.; Progress Report as of 31 March 1958: Restoration and Reconstruction of Wayside Inn, South Sudbury, Mass., Box 2, Donald Shelley - Administrative Files (Unprocessed), Acc. #2008.27; Letter to William "Bill" Clay Ford from Donald A. Shelley, 31 May 1957, Folder – Mr. William Clay Ford, 1952-1957, Box 11, Frank Caddy Executive Files, E.I. #57; and Twelfth Annual Henry Ford Museum Antiques

Under the leadership of both William Clay Ford and Donald Shelley, the Institute made further progress toward professionalizing its staff.⁵⁴⁰ The Institute's organizational structure expanded to include director-level positions for administration, crafts, and education, in order to better consolidate activities and workload.⁵⁴¹ Employees enjoyed high morale with stable management and governance, as well as significantly improved benefits and salary by the mid-1950s.⁵⁴² As part of the professionalizing of the Institute, Shelley encouraged the hiring of highly-qualified museum workers from other institutions. In 1956, the Institute hired Minor Wine Thomas, Jr., to be its new director of Craft Shops. Thomas had previously worked at Colonial Williamsburg and was a widely respected expert on American crafts.⁵⁴³ His hiring furthered the Institute's efforts to professionalize its staff and improve its reputation among museums across the country.

Pursuing Stable Funding

Upon his arrival at the Edison Institute, Donald Shelley discussed with William Clay Ford the need for "self-sustaining funds" to help ensure the Institute's future.⁵⁴⁴ Even with Clara Ford's bequest, the Institute suffered from an insufficient endowment and excessive expenses in comparison to its revenue. The Institute's board and staff recognized the need for a viable business plan that could ensure the organization's survival.⁵⁴⁵ Shelley explained in a letter to the Ford Motor Company that the nature of museums' educational purposes required "long-range planning," as well as stable funding.⁵⁴⁶ He cited other American museums' use of endowments to

Lecture 1963: "Outstanding Collections of America," Box 1, Donald Shelley - Administrative Files (Unprocessed), Acc. #2008.27.

⁵⁴⁰ Upward, *A Home for Our Heritage*, 137.

⁵⁴¹ Ibid.

⁵⁴² Ibid.

⁵⁴³ Annual Reports 1955-1956, Box 1: 1938-1961, E.I. #110, 11.

⁵⁴⁴ Research Letter Re: Ford Rotunda Visitors from Robert O. Dunn, 22 June 1954, Folder – FMC – General, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, E.I. #57, 1.

⁵⁴⁵ Miller, *Telling America's Story*, 87-88.

⁵⁴⁶ Letter to Allen W. Merrell (Assistant to the President, Ford Motor Company) from Donald A. Shelley (Edison Institute), 14 December 1955, Folder – FMC – Request for Self-Sustaining Fund, Box 6 – Frank Caddy Papers 1960s, Frank Caddy Executive Files, E.I. #57, 1.

provide designated funding over long periods of time.⁵⁴⁷ Shelley recognized the interconnected aspects of the Institute’s strategy and funding, as the best means to carry out its publically-oriented purpose. He believed that the Institute needed to be a good steward of its resources, in order to provide “better education,” “more active citizenship,” and “fuller appreciation of the American way of life.”⁵⁴⁸

In order to best understand the Edison Institute’s position in the museum field, the Institute’s staff periodically researched and developed simple benchmarking comparisons with similar American institutions. For the period between 1951 and 1961, the Institute staff compared its staff, attendance, and endowment to the Rockefeller family’s Colonial Williamsburg, Henry du Pont’s Winterthur Museum, and the Metropolitan Museum of Art in New York City. During this period, Colonial Williamsburg had the most staff (1800), followed by the Metropolitan Museum (950), the Institute (230), and Winterthur (104). Regarding attendance, the Metropolitan Museum had 5 million visitors, the Institute had over 1 million, Colonial Williamsburg had 443,000, and Winterthur had only 30,000 guests.

The size of these institutions’ endowments varied significantly from the rankings for attendance or number of staff. The Metropolitan Museum of Art had the largest endowment of \$140 million, followed by a \$47 million endowment for Colonial Williamsburg, and \$30 million at Winterthur. In comparison, the Edison Institute had only \$12 million in its total endowment.⁵⁴⁹ Based on calculations from this data, the Edison Institute ranked third for the number of endowment dollars per staff member and fourth for number of endowment dollars per attendee.⁵⁵⁰ While the Edison Institute expanded its endowment and staff from its minimal size under Henry

⁵⁴⁷ Ibid.

⁵⁴⁸ Ibid., 2.

⁵⁴⁹ “Ford Motor Company Fund Presentation” by The Edison Institute, 1961, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216; and The Edison Institute, “Discussion,” 1965?, Folder – Fund Requests –GV from FMC–1965-66, Box 1, Donald Shelley Papers, E.I. #216.

⁵⁵⁰ See Appendix G for full calculations of endowment dollars held by all four institutions in comparison to their staff and attendee numbers during this period. The comparative calculations allow for direct comparison between these institutions, based on relatively wide variations in attendance and endowment size between organizations during these years.

Ford's leadership, the Institute's endowment and staffing remained relatively far behind its peer nonprofit museums nationally.

This trend continued into the 1960s. In 1965, staff learned that the Edison Institute was the top "historical tourist site in the United States."⁵⁵¹ It had double the visitorship of Colonial Williamsburg and more visitors than the combined attendance for the museums at Cooperstown, Historic Deerfield, Shelburne, Sturbridge Village, and Williamsburg.⁵⁵² In comparison, the Institute's endowment was significantly smaller than other museums of the time. In 1966, Colonial Williamsburg had an endowment of \$51 million, with over \$2.7 million in annual income from its endowed investments.⁵⁵³ Similarly, Henry du Pont's Winterthur Museum had an endowment of nearly \$30 million in 1964 which yielded an annual income of over \$1.3 million.⁵⁵⁴ In 1966, the Metropolitan Museum of Art in New York had an endowment of \$100 million, with approximately \$2 million in annual interest income.⁵⁵⁵ However, the Edison Institute depended on different kinds of funding than those utilized by other museums.

The Edison Institute and Ford Motor Company

Corporate philanthropy has played a significant role in American nonprofit organizations. However, these companies did not directly benefit from this charitable activity until 1935, when Congress passed the first corporate income tax deduction.⁵⁵⁶ The Revenue Act of 1935 allowed for the exemption of up to 5 percent of corporations' net income as an incentive for companies to

⁵⁵¹ Work Papers, Draft of "Memorandum" to Mr. R. C. Kooi, 24 September 1965,, Folder – Fund Requests –GV from FMC–1965-66, Box 1, Donald Shelley Papers, E.I. #216.

⁵⁵² Ibid.

⁵⁵³ Letter to Allen W. Merrell (Vice President, Ford Motor Company Fund) from Donald A. Shelley, 10 November 1966, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216.

⁵⁵⁴ "The Henry Francis Du Pont Winterthur Museum, Inc. Balance Sheet and Operating Receipts and Disbursements," 31 December 1964, Folder – Fund Requests 1960, Box 1, Donald Shelley Papers, E.I. #216.

⁵⁵⁵ "Metropolitan Museum of Art Condensed Statement of Changes in Other Funds for the Year Ended June 30, 1966," Folder – Fund Requests 1960, Box 1, Donald Shelley Papers, E.I. #216.

⁵⁵⁶ John A. Edie, "Congress and Foundations: Historical Summary," *America's Wealthy and the Future of Foundations*, ed. Teresa Odendahl (New York: Foundation Center, 1987), 44-45.

make charitable contributions.⁵⁵⁷ Corporations began institutionalizing their giving through the formation of corporate foundations, particularly following the creation of the first corporate contribution tax deduction in 1935.⁵⁵⁸ Through the establishment of the Federal Tax Act of 1935, most of America's industrial elite and other wealthy families began to realize a financial benefit to begin using tax-exempt philanthropic organizations.⁵⁵⁹

The Revenue Act of 1950 provided further regulations relevant to foundations and charitable organizations between 1950 and 1969. This legislative act addressed issues of accumulated investment income and self-dealing, requiring transactions between certain parties to be at "arm's length."⁵⁶⁰ However, the Ford family continued to maintain a close connection between their Company and the Edison Institute.

From the beginning of the Edison Institute's history, the Ford Motor Company provided integral support for its operations. The first two generations of Ford family members, who founded the Institute, gave monthly contributions to the organization in proportion to their Ford Motor Company stock holdings.⁵⁶¹ By the end of 1950, the Edison Institute had received funding from only seven sources, including nearly \$3.3 million from the Ford Motor Company and another \$2,571 from Ford dealers.⁵⁶²

Through correspondence between the Institute and Company, staff acknowledged the mutual benefits derived from their relationship. Although the Institute's nonprofit status required legal separation from the Company, staff at both institutions recognized the importance of public

⁵⁵⁷ Olivier Zunz, *Philanthropy in America: A History* (Princeton, New Jersey: Princeton University Press, 2012), 174.

⁵⁵⁸ Leslie Lenkowsky, "Foundations and Corporate Philanthropy," *The State of Nonprofit America*, ed. Lester M. Salamon (Washington, D.C.: Brookings Institution Press, 2002), 362; and Baruch Lev, *Is Doing Good Good for You?: Yes, Charitable Contributions Enhance Revenue Growth* (July 2006), 6.

⁵⁵⁹ Judith Sealander, "Curing Evils at Their Source: The Arrival of Scientific Giving," in *Charity, Philanthropy, and Civility in American History*, ed. Lawrence J. Friedman and Mark D. McGarvie (New York: Cambridge University Press, 2003), 226.

⁵⁶⁰ Edie, "Congress and Foundations," *America's Wealthy*, 46.

⁵⁶¹ "The Edison Institute: A Request to Ford Motor Company," 1956?, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216, 1.

⁵⁶² *Ibid.*, 2.

perception that tied the two organizations together, especially due to the shared “Ford” name.⁵⁶³

In addition, the Edison Institute’s location as being surrounded by Ford Motor Company property guaranteed the Institute and Company a perpetual relationship. The Institute’s success as one of the nation’s leading historical museums and top attraction in Michigan proved beneficial to the Company. Corporate staff believed that the Institute’s potential for both success and failure could impact both institutions. Therefore, the Company continued to encourage the Institute’s growth and success, as part of the Ford family’s legacy and as neighboring facilities.⁵⁶⁴

In 1952, the Ford Motor Company created a full report on the Edison Institute, focusing on issues of budgeting, record keeping, and reporting. At that time, the Institute employed a staff that fluctuated seasonally between 240 and 342 employees, which was responsible for approximately three-quarters of the organization’s annual expenses (\$1,076,000).⁵⁶⁵ Based on the Company’s analysis, the Institute lacked necessary fiscal controls based on updated best practices in accounting. In order to remedy this problem, the corporate staff created a budgeting system, organizational structures, reporting, and work processes that could be standardized for the Institute. During this same period, the Ford Foundation’s 1951 "terminal" grant contributed to the Institute’s change from cash to accrual accounting.⁵⁶⁶ The Ford Motor Company provided integral leadership in professionalizing the Institute’s financial management.⁵⁶⁷

The Company’s staff recommended further efficiencies in the division and work of Institute staff. Although the Institute created an updated organizational chart, the corporate staff

⁵⁶³ Letter to Allen W. Merrell (Ford Motor Company Fund) from A. K. Mills (Executive Director, Edison Institute), 26 August 1953, Special Grant: Committee Folder, Reports on Collections, Greenfield Village, Wallpaper, Furniture, Box 6, Accession #67, Edison Institute Collection, Benson Ford Research Center, 3.

⁵⁶⁴ *Ibid.*, 3.

⁵⁶⁵ The E.I. Report (Budgeting, Record Keeping, & Reporting) c. 1952 F.M.C., Internal Reports, Box 1, E.I. #112, Introduction – 1.

⁵⁶⁶ See Appendix D for a full listing of Ford Foundation contributions to the Edison Institute during this period, including the 1951 “terminal” grant of \$5 million. “Ford Foundation Contributions,” Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216; and The E.I. Report (Budgeting, Record Keeping, & Reporting) c. 1952 F.M.C., Internal Reports, Box 1, E.I. #112, Accounting -1.

⁵⁶⁷ The E.I. Report (Budgeting, Record Keeping, & Reporting) c. 1952 F.M.C., Internal Reports, Box 1, E.I. #112, Introduction – 1-2.

recognized its faults, as well as its lack of dissemination throughout the organization. Without this formal distribution of tasks, they realized that Institute staff would be unaware of their professional responsibilities.⁵⁶⁸ The Institute's executives and staff also created the first formalized budget in 1951, in keeping with the Heller Report.⁵⁶⁹ The Company staff provided additional insights into standardizing the budget process and adapting it to the Institute's unique needs. As part of this work, they recommended that the Institute change its fiscal year to end on March 31st, requiring an interim budget for January through March 1952.⁵⁷⁰

While the Ford Motor Company attempted to assist the Institute in developing more professionalized operations, it also began construction of a wall to separate the Institute from the Company's property along Village Road.⁵⁷¹ Historians have claimed the building of this wall signified the Institute's growing independence from the Company. However, ongoing activity between the two institutions revealed a continually complex relationship.⁵⁷² In honor of the Company's 50th anniversary, the Institute developed an exhibit about Henry Ford and the Ford Motor Company. This exhibit utilized the expertise of Ford's grandsons, then executives of the Company and board members of the Institute, perpetuating overlapping agendas of the two organizations through the unified interests of the Ford family.⁵⁷³

⁵⁶⁸ Ibid., Organization – 1-2.

⁵⁶⁹ Hayward S. Ablewhite Oral History Interview, 27 November 1962, Folder 1 – Ablewhite, Hayward S. – 1962 #1, Box 4 – Hayward Ablewhite Reminiscences, 1940-1962, E.I. #167, 17-18; Letter and Report to Mrs. Henry Ford from Kenneth G. Donald (Vice President, Robert Heller and Associates), 30 September 1947, Folder - Draft Proposal Report for Edison Institute by Robert Heller & Associates, 1947, Consultant's Reports, Box 1, E.I. #113, The Museums – 3; Ibid., Appendix III - Suggestive Check List of Changes – 2, 4; and The E.I. Report (Budgeting, Record Keeping, & Reporting) c. 1952 F.M.C., Internal Reports, Box 1, E.I. #112, Budgetary Procedure – 1-2.

⁵⁷⁰ This change in fiscal year resulted in contradicting reports between the fiscal year of the Edison Institute and the annual contributions from the Ford Motor Company and its Fund. See Appendix E. The E.I. Report (Budgeting, Record Keeping, & Reporting) c. 1952 F.M.C., Internal Reports, Box 1, E.I. #112, Budgetary Procedure – 1-2.

⁵⁷¹ See Appendix C for a map of the Edison Institute and Ford Motor Company property. The interactive map highlights Village Road as the property line between the Ford Motor Company's test track/airport and the Edison Institute's land. Miller, *Telling America's Story*, 89; and Upward, *A Home for Our Heritage*, 125.

⁵⁷² Miller, *Telling America's Story*, 89, 101; and Upward, *A Home for Our Heritage*, 125, 131.

⁵⁷³ Upward, *A Home for Our Heritage*, 131.

The Ford Motor Company also made significant gifts to the Edison Institute. In 1953, the Company gave full ownership of the nearby Dearborn Inn to the Institute.⁵⁷⁴ Perhaps more relevant to the Institute's mission, the Company granted the Institute a significant portion of its corporate archives in 1964, including extensive documentation of Henry Ford, his family, and corporate and philanthropic interests.⁵⁷⁵ The Ford Archives collection also included extensive oral histories of Henry Ford's friends and colleagues, rounding out one of the most comprehensive corporate archives known at the time. This gift provided for the growth of the Institute's library and archival resources.⁵⁷⁶ The Ford Motor Company's gift of the Ford Archives made up \$4.4 million of its total \$5 million in property donations during that year.⁵⁷⁷ As part of this gift, the Company funded the installation of the archives at the Institute's facilities.⁵⁷⁸ The Ford Archives housed over 14 million items, including papers and materials from Henry, Clara, and Edsel Ford, as well as the Ford Motor Company.⁵⁷⁹ In addition to transferring the extensive collections, the Edison Institute also appointed the Ford Motor Company's archives director, Henry Edmunds, to serve on the Institute staff and oversee the collection.⁵⁸⁰

The Ford Motor Company Fund and the Edison Institute

⁵⁷⁴ In 1984, the Institute sold the Dearborn Inn back to the Company, after owning and expanding the facility for 31 years. See Miller, *Telling America's Story*, 101.

⁵⁷⁵ Upward, *A Home for Our Heritage*, 138, 150.

⁵⁷⁶ *Ibid.*, 138, 150.

⁵⁷⁷ Ford Motor Company Annual Report 1964, Folder – Ford Motor Company, 1960-1964 Annual Reports, Box 1 – Books, Pamphlets, Memos, Accession #104 – William Clay Ford Office Papers, Edison Institute Collection, Benson Ford Research Center.

⁵⁷⁸ Letter to Donald A. Shelley (Executive Director, Henry Ford Museum and Greenfield Village) from Hugh W. Masterson (Corporate Contributions Administrator, Ford Motor Company), 30 December 1965, Folder – Archives: Alteration, 1964-1965, Box 1, Frank Caddy Executive Files, E.I. #57; and Letter to Donald A. Shelley (Henry Ford Museum and Greenfield Village) from Theodore H. Mecke, Jr., (Vice President, Public Relations, Ford Motor Company), 21 December 1964, Folder – Archives: Consent and Agreements Signed, 1964-1967, Box 1, Frank Caddy Executive Files, E.I. #57.

⁵⁷⁹ Press Release from Henry Ford Museum and Greenfield Village, "Vast Ford Archives Donated to American History Museum," 31 December 1964, Folder – Archives: Donation News Release, Box 1, Frank Caddy Executive Files, E.I. #57.

⁵⁸⁰ *Ibid.*, 1-2.

The Edison Institute's relationship with the Ford Motor Company extended beyond the period of the Ford Foundation's support. Once the Ford Foundation redirected its grantmaking strategy away from the Ford family's interests, the Edison Institute and other organizations in Detroit and Michigan were left without a significant portion of their philanthropic income. As part of the Ford family's response to this situation, Henry Ford II and the Ford Motor Company announced the creation of the Ford Motor Company Fund on March 6, 1950.⁵⁸¹

The Ford Fund served as a separate nonprofit organization under a Michigan charter that received its funding solely from the Ford Motor Company, with its leadership located at the Company's headquarters in Dearborn, Michigan.⁵⁸² The Ford Fund's board included Henry Ford II, Benson Ford, and other Company executives.⁵⁸³ Allen Merrell, assistant to the president of Ford Motor Company, served on the Fund's board and chaired its administration and operations committee. He was responsible for much of the correspondence between the Edison Institute and Ford Motor Company's philanthropic committees.⁵⁸⁴ William W. McPeak received the position of Executive Director of the Ford Motor Company Fund in October 1950, having served as a consultant for other nonprofit and public projects nationally, including the American Heart Association and the Hoover Commission. He had also previously served as the assistant study director for the Ford Foundation's Study Committee and later functioned as a Vice President of

⁵⁸¹ Untitled Press Release from Ford Motor Company Fund, 6 March 1950, Ford Motor Company Fund folder, Archives Vertical File, Benson Ford Research Center, 1.

⁵⁸² *Ibid.*, 1.

⁵⁸³ *Ibid.*, 2; and "Ford Motor Company Fund, 6 March 1951," Folder – Ford Motor Company Fun," Box 17, Accession 2003.146, Lewis D. Crusoe Papers, Benson Ford Research Center.

⁵⁸⁴ Untitled Press Release from Ford Motor Company Fund, 6 March 1950, Ford Motor Company Fund folder, Archives Vertical File, 2; "Ford Motor Company Fund, 6 March 1951," Folder – Ford Motor Company Fund, Box 17, Acc. #2003.146; Letters between the Edison Institute and the Ford Motor Company Fund, 1951-1968, Folder - Fund Requests – GV from FMC – 1951-1959, 1960, 1965-1966, Box 1, Donald Shelley Papers, E.I. #216; Untitled Press Release, 2 June 1961, Folder - Ford Motor Company Fund, 1961, Box 36, Accession 1857, Press Release collection subgroup, Ford Motor Company Public Relations records collection, Benson Ford Research Center; Letters between Edison Institute and Ford Motor Company (Fund, Executive Committee, Contributions Committee), 1953-1973, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; and Untitled Press Release from Ford Motor Company Fund, 20 October 1950, Ford Motor Company Fund folder, Archives Vertical File.

the Ford Foundation as of 1956.⁵⁸⁵ The Ford Fund created a similarly charitable purpose to the Ford Foundation's mission of "advancing human welfare."⁵⁸⁶ In its materials, the Fund stated its purpose as "the alleviation of want and human suffering and the betterment and improvement of mankind through the making of contributions to organizations operating exclusively for charitable, scientific, literary or educational purposes."⁵⁸⁷

As a predecessor to corporate social responsibility in the present day, the Ford Fund's early activity came out of its "obligations as an industrial citizen" toward charitable and publically-purposed activity in its own backyard, particularly Dearborn, Detroit, and other communities in which the Company operated.⁵⁸⁸ The Fund's leadership expressed their shared belief that American corporations had a responsibility to support nonprofit organizations, rather than having these institutions rely on government support for much-needed funding.⁵⁸⁹ As another charitable institution labeled with the Ford name, the Ford Motor Company Fund made an effort to distinguish itself from the Ford Foundation, explaining this difference clearly in its public relations materials.⁵⁹⁰

Leadership of the Ford Fund and Ford Foundation communicated with one another in the early years, especially concerning the Foundation's previous grantees that no longer fit the Gaither report's criteria. Due to the Ford family's continued influence at the Ford Motor Company and its Fund, the Ford Foundation staff forwarded multiple grant requests to the Fund

⁵⁸⁵ Untitled Press Release from Ford Motor Company Fund, 20 October 1950, Ford Motor Company Fund folder, Archives Vertical File; and "Officers of the Ford Foundation," in "History of the Ford Foundation," 12 January 1956, Related Correspondence and Materials, William Greenleaf, "The Ford Foundation: The Formative Years," 1957, Log File L57-1209, Reel L-43, Ford Foundation records, Rockefeller Archive Center, 9.

⁵⁸⁶ "Report of the Trustees of the Ford Foundation," 27 September 1950, *Ford Foundation, Reports 1950-1952*, The Foundation Center Historical Foundation Collection, Ruth Lilly Special Collections and Archives, University Library, Indiana University-Purdue University Indianapolis, 755 West Michigan St., Indianapolis, Indiana 46202-5195, 3-4.

⁵⁸⁷ Untitled Press Release from Ford Motor Company Fund, 6 March 1950, Ford Motor Company Fund folder, Archives Vertical File, 1.

⁵⁸⁸ *Ibid.*

⁵⁸⁹ *Ibid.*

⁵⁹⁰ Untitled Press Release, 16 March 1961, Folder - Ford Motor Company Fund, 1961, Box 36, Acc. #1857, 2.

based on their receiving prior assistance from Henry, Clara, or Edsel Ford. However, the Ford Fund's own policies sometimes prevented it funding these requests, limiting its responsibilities to provide grants to all organizations that had previously received philanthropic gifts from earlier generations of the Ford family.⁵⁹¹ In the case of the Edison Institute, the Ford Foundation made its terminal grant to the Institute with the understanding that the Ford Motor Company Fund would likely continue its support in future years.⁵⁹²

For most years, the Ford Motor Company designated a donation to the Ford Motor Company Fund, reporting this amount in its annual report. For example, the Company gave the Ford Fund \$3 million in 1955 and \$10 million in 1964, varying amounts by year.⁵⁹³ Between 1950 and 1980, the Ford Motor Company gave the Ford Motor Company Fund over \$200 million, of which the Fund contributed at least \$150 million to nonprofits during the same period. Based on available corporate annual report data, the Ford Motor Company granted well over \$247 million to charitable and educational purposes during these thirty years.⁵⁹⁴

The Ford Motor Company Fund supported projects specific to the Company and local interests. One of its programs provided dozens of scholarships to the children of Ford Motor

⁵⁹¹ Letter to William McPeak (Ford Motor Company) from Joseph M. McDaniel, Jr. (Assistant to the Director, Ford Foundation, 914 East Green Street, Pasadena 1, California), 2 July 1951, Folder 1: Fund Files – Michigan Fund Grants (Treasurer's File), 1950-1954, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center; and Letter to Joseph M. McDaniel, Jr. (Ford Foundation) from William McPeak (Executive Director, Ford Motor Company), 9 July 1951, Folder 1: Fund Files – Michigan Fund Grants (Treasurer's File), 1950-1954, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

⁵⁹² "The Edison Institute," Marcia Thompson, Ford Foundation Records Center, 9 May 1966, The Edison Institute, Ford Foundation Grant 36-234, Reel 1191, Ford Foundation records, Rockefeller Archive Center, 4; and Letter to M. T. Moore (Cravath, Swaine & Moore) from Rowan Gaither, 12 December 1950, The Edison Institute, Ford Foundation Grant 36-234, Reel 1191, Ford Foundation records, Rockefeller Archive Center.

⁵⁹³ Ford Motor Company Annual Report 1964, Folder – Ford Motor Company, 1960-1964 Annual Reports, Box 1 – Books, Pamphlets, Memos, E.I. #104; and Ford Motor Company 1955 Annual Report, Box 1 – Books, Pamphlets, Memos, E.I. #104.

⁵⁹⁴ These values are calculated based on available Ford Motor Company Annual Reports during this period. Information included in these reports varies each year, resulting in inconsistent data available. See Appendix H for a more complete presentation of Ford Motor Company and Ford Motor Company contributions. Boxes 1-3, Annual Reports (Ford Motor Company), Ford Motor Company Serials Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029; and Ford Motor Company Annual Reports, 1953-1954, 1956-1958, Accession AR-65-92: Annual Reports Collection, Ford Motor Company Archives.

Company employees each year.⁵⁹⁵ The scholarship award winners received a “a three-day ‘Dearborn Holiday’ ... as guests of the Fund,” including “an Honors Convocation Sunday at the Ford Central Office Building” and a tour of Henry Ford Museum, Greenfield Village, the Ford Rotunda, and the Ford Rouge factory complex.⁵⁹⁶ The schools that scholarship recipients attended also received additional funding if the institution had a private endowment.⁵⁹⁷ The Fund created the Ford International Fellowship program, which provided for “outstanding scholars from all areas of the free world to come to the United States...for graduate study at leading educational institutions”⁵⁹⁸ It later established the Grants for Agricultural Research and Education program, specifically through the Ford Farm Efficiency Awards (1961)⁵⁹⁹ The Fund also instituted a grant program that included the preservation of historic structures, resulting in a \$370,000 gift to the Lee Chapel at Washington and Lee University in 1961.⁶⁰⁰ In addition, the Fund provided for disaster relief, including a \$5,000 contribution to the American National Red Cross for relief for Hurricane Carla (1961)⁶⁰¹ The Ford Motor Company Fund also offered grants to the local Community Chest and Detroit United Foundation drive, in conjunction with donations made by Ford Motor Company employees.⁶⁰² In the Ford Fund’s inaugural year, it gave away \$1.4 million based on its receipt of Ford Motor Company profits.⁶⁰³ By 2001, this

⁵⁹⁵ Untitled Press Release, 16 March 1961, Folder - Ford Motor Company Fund, 1961, Box 36, Acc. #1857, 1.

⁵⁹⁶ Untitled Press Release, 21 June 1962, Folder - Ford Motor Company Fund, 1962, Box 36, Acc. #1857.

⁵⁹⁷ “Ford Motor Company, Annual Report 1951,” Folder – 1951, Box 1, Annual Reports (Ford Motor Company), Ford Motor Company Serials Collection, 17.

⁵⁹⁸ Untitled Press Release, 22 March 1961, Folder - Ford Motor Company Fund, 1961, Box 36, Acc. #1857, 1.

⁵⁹⁹ Untitled Press Release, 10 May 1961, Folder - Ford Motor Company Fund, 1961, Box 36, Acc. #1857, 1.

⁶⁰⁰ Untitled Press Release, 21 May 1961, Folder - Ford Motor Company Fund, 1961, Box 36, Acc. #1857, 1.

⁶⁰¹ Untitled Press Release, 15 September 1961, Folder - Ford Motor Company Fund, 1961, Box 36, Acc. #1857.

⁶⁰² “Ford Motor Company, Annual Report 1951,” Folder – 1951, Box 1, Annual Reports (Ford Motor Company), Ford Motor Company Serials Collection, 17.

⁶⁰³ Ford Motor Company Fund, “Ford in the Community: Supporting the American Dream Through Innovative Initiatives,” 2005 Annual Report, Ford Motor Company Fund folder, Archives Vertical File, 2.

amount increased to \$113 million and averaging around \$80 million annually during the early to mid-2000s.⁶⁰⁴

The Ford Motor Company Fund began its relationship with the Edison Institute early on in the Fund's history. As a creation of the Ford family and extension of their philanthropy, the Fund inherited unofficial responsibility for funding the Institute's activities. On June 1951, A.K. Mills, then executive director of the Edison Institute, wrote to the chairman of the Ford Motor Company Fund's operating committee requesting funds. In his letter, Mills explained to the Fund how the Ford Foundation previously provided for the Institute's annual deficit of approximately \$1 million. Starting at the beginning of 1951, the Ford Foundation's generosity ended with a \$5 million terminal grant intended to cover future costs.⁶⁰⁵

The Institute determined that its future depended upon a sustainable source of income, particularly through the building of an endowment. Mills described how the Institute planned to use the Foundation's \$5 million terminal grant and \$4 million bequest from Clara Ford to "become to a large extent, if not entirely, self-sustaining."⁶⁰⁶ The Institute invested the \$5 million in short term securities, even before Clara Ford's estate was settled. The organization's administration intended to invest the total \$9 million on a long-term basis, as part of an investment program that the Ford Motor Company helped to design.⁶⁰⁷ With the endowment, the Institute approximated that it would receive \$270,000 (3 percent yield) from these investments, augmenting its other income sources that totaled \$750,000.⁶⁰⁸

Without a constant source of philanthropic income from the Foundation, the Institute realized that it still required a large donation to provide for its annual deficit. Based on the

⁶⁰⁴ Ibid., 2.

⁶⁰⁵ Letter to Allen W. Merrell (Chairman, Operating Committee, Ford Motor Company Fund) from A.K. Mills (Executive Director, Edison Institute), 7 June 1951, Folder – Fund Requests – GV from FMC – 1951-1959, Box 1, Donald Shelley Papers, E.I. #216.

⁶⁰⁶ Ibid.

⁶⁰⁷ Edison Institute Request for a Grant of \$200,000 from the Ford Fund, Folder – Fund Requests –GV from FMC – 1951-1959, Box 1, Donald Shelley Papers, E.I. #216.

⁶⁰⁸ Ibid.

“effecting of certain economies and a more closely controlled operation” and using income from its new endowment, the Institute’s administration determined that it could shrink its annual \$1 million Foundation request to \$750,000, with the intent of decreasing this amount in the coming years.⁶⁰⁹ Once the full endowment was finally invested, the Institute calculated that it could cover over \$1 million of its \$1.5 million annual operating expenses. By economizing some of the museum's operations and not using the endowment’s principal, the Institute determined that it could cover all of its expenses and “eventually become very nearly self-sustaining.”⁶¹⁰ The Ford Motor Company Fund’s annual contribution initially functioned as a short term solution to ensure that the Institute could become sustainable over the long term.⁶¹¹

However, the Edison Institute’s request of the Ford Motor Company Fund resulted in a funding relationship that would span decades. The Institute’s administration sent annual requests to the Board of Trustees and administrators of the Ford Fund from 1951 to 1968.⁶¹² Another letter to the Ford Motor Company from 1956 indicated that the Institute saw its attendance jump to 835,000 from 500,000 and its gross revenue increase to \$1 million from \$300,000 from the Fund’s initial grant in 1951.⁶¹³

During this same period, the Institute noted a significant difference between the support of the Ford Foundation and its \$1 million annual contributions, and the Ford Motor Company Fund’s donation that decreased to \$460,000 in 1956. The Institute realized that, even with

⁶⁰⁹ Letter to Allen W. Merrell from A.K. Mills, 7 June 1951, Folder – Fund Requests – GV from FMC – 1951-1959, Box 1, Donald Shelley Papers, E.I. #216; and Memorandum, 7 June 1951, “Minutes of Operations Committee Meeting – June 1, 1951,” Folder – Ford Motor Company Operations Committee: Ford Motor Company Fund, Contributions Committee, L. W. Smead, Box 1, Accession 577, L. W. Smead, Benson Ford Research Center

⁶¹⁰ Edison Institute Request for a Grant of \$200,000 from the Ford Fund, Folder – Fund Requests –GV from FMC – 1951-1959, Box 1, Donald Shelley Papers, E.I. #216.

⁶¹¹ Ibid.

⁶¹² See Appendix E for a full listing of the Ford Motor Company Fund’s annual contributions to the Edison Institute during this period. Letters between the Edison Institute and the Ford Motor Company Fund, 1951-1968, Folder - Fund Requests – GV from FMC – 1951-1959, 1960, 1965-1966, Box 1, Donald Shelley Papers, E.I. #216.

⁶¹³ “The Edison Institute: A Request to Ford Motor Company,” 1956?, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216, 3.

income from the endowment's interest totaling \$115,000 annually, its operating deficit continued to outpace its total income. The Institute's administration and board discovered the astonishing costs of maintaining the Institute's museum and village, resulting in their requesting a special grant from the Fund for improvements to the Village in 1953-54. The Institute realized that they required approximately \$100,000 in additional funds annually to keep up with necessary maintenance, an area that had previously been provided for under Henry Ford's leadership and personal giving.⁶¹⁴ The Institute calculated that it would eventually require an additional \$8 million from the Ford Motor Company Fund to create a sufficient endowment to become self-sustainable.⁶¹⁵

In order to provide for additional maintenance and capital expenditures, the Institute periodically submitted requests for "special grants" from the Ford Fund. Each year, the Ford Motor Company Fund's contribution supported significant projects at the Institute. During the 1960s, some of these projects included painting the buildings, purchasing new equipment, replacing the roof and windows in sections of the museum, and other capital projects.⁶¹⁶ One of these grants in 1958-1959 provided for the expense of building a new parking area to accommodate increased attendance to the Institute.⁶¹⁷

A report in 1961 indicated the need for additional funds from the Ford Motor Company Fund. In 1960-61, the Edison Institute served a million visitors, increasing its required expenses for programming and staff. Support from the Ford Motor Company and its Fund helped to

⁶¹⁴ Ibid., 3-4.

⁶¹⁵ Ibid.

⁶¹⁶ "Donations, Ford Motor Company Fund," Folder – FMCo – Donated Materials and Services – 1962, FMCo Fund – Donations 1962-67, Box 9 – Bicentennial Correspondence, Frank Caddy Executive Files, E.I. #57.

⁶¹⁷ Report on Edison Institute Contributions from Ford Motor Company Fund and FMC between 1955 and 1961, Folder – Expenses and Revenues 1955-1961, Box 1, Accession #117, Edison Institute Collection, Benson Ford Research Center; "Ford Motor Company Fund," Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216; and Letter to Dr. Donald A. Shelley (Executive Director, Edison Institute) from Ray C. Kooi (Assistant Director, Ford Motor Company Fund), 12 June 1959, Folder – Special Grants: Parking Area (1958), Property, Deeds, Easements. Box 6, Accession #68, Edison Institute Collection, Benson Ford Research Center.

provide important contributions to augment the Institute's admission fees and other revenue sources. Based on its annual requests to the Fund, the Institute regularly asked for assistance in making up the difference of its cash operating deficit, as well as for additional funding for "equipment purchases or exhibit collections acquisitions."⁶¹⁸ Between 1951 and 1968, the Ford Motor Company Fund provided the Edison Institute a total of \$6,895,000 in grants and cash support.⁶¹⁹ The Fund's annual contribution averaged \$383,056 over 17 years, less than a third of the annual contributions made by the Ford Foundation during the 16 years previous.⁶²⁰

Ford Motor Company

Correspondence regarding the philanthropic relationship between the Ford Motor Company and the Edison Institute can be divided into two categories: requests for operating support provided by the Ford Motor Company Fund and requests for materials and services from the Ford Motor Company itself. Reflective of the amorphous divisions between the Company and the Institute, the museum staff sometimes did not clarify between these two kinds of contributions, directing their requests to the Ford Motor Company regardless.⁶²¹ The Institute directed much of its correspondence regarding contributions of funding, as well as services and materials, to Mr. Allen W. Merrell, who worked as the Assistant to the Ford Motor Company

⁶¹⁸ Report on Edison Institute Contributions from Ford Motor Company Fund and FMC between 1955 and 1961, Folder – Expenses and Revenues 1955-1961, Box 1, E.I. #117.

⁶¹⁹ See Appendix E for a full listing of Ford Motor Company Fund contributions to the Edison Institute. "Ford Motor Company Fund," Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216; "Ford Motor Company Fund," 25 May 1961, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216; Letters between the Edison Institute and the Ford Motor Company Fund, 1951-1968, Folder - Fund Requests – GV from FMC – 1951-1959, 1960, 1965-1966, Box 1, Donald Shelley Papers, E.I. #216; and Ford Motor Company Fund (Michigan), Return of Organization/Foundation Exempt from Income Tax, Calendar Years 1950, 1953, 1956-1957, 1960, 1962-1974, The Foundation Center Historical Foundation Collection..

⁶²⁰ See Appendices D and E for the full listing and calculations of contributions from Ford Foundation and Ford Motor Company Fund. "Ford Foundation Contributions," Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216; and Letters between the Edison Institute and the Ford Motor Company Fund, 1951-1968, Folder - Fund Requests – GV from FMC – 1951-1959, 1960, 1965-1966, Box 1, Donald Shelley Papers, E.I. #216.

⁶²¹ Letters between the Edison Institute and the Ford Motor Company Fund, 1951-1968, Folder - Fund Requests – GV from FMC – 1951-1959, 1960, 1965-1966, Box 1, Donald Shelley Papers, E.I. #216; and Letters between Edison Institute and Ford Motor Company (Fund, Executive Committee, Contributions Committee), 1953-1973, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216.

president and Chairman of both the Contributions Committee of the Company (services and materials) and Administrative and Operating Committee of the Fund (grants).⁶²² Formally, the Institute received correspondence and contributions from the Ford Motor Company Fund and its Operating Committee for monetary grants and from the Ford Motor Company Contributions Committee for donations of services and materials.⁶²³

The Ford Motor Company averaged annual donations of \$115,000 in materials and services to the Institute prior to 1956.⁶²⁴ The amount of donated services and materials slightly increased between 1953 and 1969 to an average of over \$120,000 annually.⁶²⁵ Between 1953 and 1969, the Edison Institute made most annual requests of support to the Ford Motor Company for services and materials related to obtaining heat, power, water, road maintenance, fire department services, and other miscellaneous needs.⁶²⁶ During the 1960s, heat, power, and water cost averaged \$114,000 annually, in addition to \$5,000 each for road and fire services.⁶²⁷ These utilities and related personnel originated from the Ford Motor Company facilities and the Institute

⁶²² Letter to Donald A. Shelley (Henry Ford Museum and Greenfield Village) from Allen W. Merrell (Chairman, Contributions Committee and Vice President, Civic and Governmental Affairs, Ford Motor Company), 19 December 1967, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; Letter to Allen W. Merrell (Chairman, Contributions Committee) from Donald A. Shelley (Henry Ford Museum and Greenfield Village), 13 November 1967, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; and Letter to Allen W. Merrell from Donald A. Shelley, 20 November 1967, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216.

⁶²³ Letters between the Edison Institute and the Ford Motor Company Fund, 1951-1968, Folder - Fund Requests – GV from FMC – 1951-1959, 1960, 1965-1966, Box 1, Donald Shelley Papers, E.I. #216; and Letters between Edison Institute and Ford Motor Company (Fund, Executive Committee, Contributions Committee), 1953-1973, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216.

⁶²⁴ “The Edison Institute: A Request to Ford Motor Company,” 1956?, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216, 2.

⁶²⁵ See Appendix F for further detail of annual in-kind support. Contributions Committee (Ford Motor Company), “Donated Services and Materials,” 1979?, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216.

⁶²⁶ Letters between Edison Institute and Ford Motor Company (Fund, Executive Committee, Contributions Committee), 1953-1973, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; and “Donated Materials and Services, Ford Motor Company,” Folder – FMCo – Donated Materials and Services – 1962, FMCo Fund – Donations 1962-67, Box 9 – Bicentennial Correspondence, Frank Caddy Executive Files, E.I. #57.

⁶²⁷ “Donated Materials and Services, Ford Motor Company,” Folder – FMCo – Donated Materials and Services – 1962, FMCo Fund – Donations 1962-67, Box 9 – Bicentennial Correspondence, Frank Caddy Executive Files, E.I. #57.

formally requested these provisions annually. As a result, the Edison Institute continued to depend upon the Ford Motor Company, which served as a lifeline for the Institute's most basic needs until the late 1960s.⁶²⁸

The Company's annual donations did not include other extraordinary gifts. Some of these donations included a gift of the Ford Motor Company's capital stock in the Seaboard Properties Company (the Dearborn Inn), 34.87 acres of adjoining company property given to the Institute in 1954, nearly \$109,900 in services and materials donated for Washington Carver's Lab, and the Company's forty-millionth produced car, a 1953 Mercury convertible, in 1954.⁶²⁹ During the 1950s, a portion of the company's in-kind donation also included designated contributions toward the Institute's exhibits and equipment needs.⁶³⁰ After 1969, the Company provided three sporadic years of in-kind support at a significantly decreased level of approximately \$50,000. The Institute's requests for services and materials changed during the 1970s. Instead of requesting utilities and maintenance, the Institute requested assistance for specific services or projects.⁶³¹ In 1971, the Institute asked for materials and labor for its restaurant, visitor orientation, and sales facility. Likewise, the Institute requested \$50,000 worth of services in 1973 from the Ford Motor Company's Plant Engineering Office for developing

⁶²⁸ Letters between Edison Institute and Ford Motor Company (Fund, Executive Committee, Contributions Committee), 1953-1973, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216.

⁶²⁹ See Appendix C for a map of the Edison Institute property. The interactive map includes the relative location of the Dearborn Inn in comparison to the Edison Institute and Ford Motor Company properties. Contributions Committee (Ford Motor Company), "Donated Services and Materials," 1979?, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; Letters between Edison Institute and Ford Motor Company (Fund, Executive Committee, Contributions Committee), 1953-1973, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; Intra-Company Communication to R. B. Jack (General Accounting Department, Lincoln-Mercury Division) from Gordon Marshall (Secretary, Contributions Committee), 5 March 1954, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; and Letter to A.K. Mills (Executive Director, Edison Institute) from Allen W. Merrell (Vice President, Ford Motor Company Fund), 30 April 1953, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216.

⁶³⁰ Contributions Committee (Ford Motor Company), "Donated Services and Materials," 1979?, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216.

⁶³¹ See chapter five for a full explanation of the changes in the Ford Motor Company's funding and in-kind support to the Edison Institute following the Tax Reform Act of 1969. Changes in tax regulation impacted the extent and types of support that the Company could provide to the Edison Institute.

plans for a new Institute facility.⁶³² These contributions further solidified the Institute's reliance on the Company's personnel and resources.

The Edison Institute had been involved with the Ford Motor Company from the earliest parts of its history, with the Company providing a majority of the Institute's staffing and resources in its first decade of operation. The Ford Fund further complicated the Institute's relationship with the Company through the involvement of professionals and executives concerned with making philanthropic, management, and legal decisions. The Ford Motor Company served as the Institute's neighbor on all sides.⁶³³ As part of a 1954 grant, the Edison Institute requested a new parking lot for its facility. At that time, cars from the Dearborn Engineering facility and the Edison Institute shared the same lots. Staff from Ford Motor Company conducted the necessary assessment, planning, and construction, based on the Institute's original grant proposal for capital improvements. The new 300-car parking lot provided designated space for museum visitors and employees to park, better accommodating the growing number of visitors to the Museum and Village.⁶³⁴

The public's knowledge of the Institute's relationship with the Ford family and their enterprises extended beyond the metropolitan-Detroit area. In August 1955, Old Sturbridge Village in Massachusetts encountered a devastating flood of its property. As part of its clean-up efforts, its director, Frank Spinney sent out regular fundraising letters to "friends" of the Village, including his acquaintance Donald Shelley at the Edison Institute. In a personal letter to Shelley,

⁶³² See chapter five for additional explanation of the Institute's expansion plans and its challenges in working with the Ford Motor Company following the Tax Reform Act of 1969. Contributions Committee (Ford Motor Company), "Donated Services and Materials," 1979?, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; and Letters between Edison Institute and Ford Motor Company (Fund, Executive Committee, Contributions Committee), 1953-1973, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216.

⁶³³ See Appendix C for a map of the Edison Institute's location in comparison to the Ford Motor Company properties.

⁶³⁴ Memorandum Re: Contribution to the Edison Institute to Board of Trustees (Ford Motor Company Fund) from Allen W. Merrell (Chairman, Operations Committee), 21 January 1954, Special Grant: Committee Folder, Reports on Collections, Greenfield Village, Wallpaper, Furniture, Box 6, E.I. #67, 1-3; and "Special Project," Special Grant: Committee Folder, Reports on Collections, Greenfield Village, Wallpaper, Furniture, Box 6, E.I. #67, 2

Spinney outlined Sturbridge's fundraising strategy, which included approaching foundations for grants to repair their outdoor museum.⁶³⁵ Spinney wrote specifically to Shelley due to the Edison Institute's known relationship with the Ford Motor Company Fund. He stated that "...we would not want to try anything that would seem to you to be encroaching on what may be so intimately connected with your project that we would appear to be muscling in. I don't know either whether [the Ford Fund] would be interested at all in helping us get back on our feet again."⁶³⁶ Without any formal connection to the Fund, Shelley simply made some "discrete" inquiries, but no promises to Spinney.⁶³⁷ While the Institute recognized its separation from the Company, external perception continued to connect these institutions based on their shared Ford family origins and leadership.

While Benson and Henry Ford II held board positions at the Ford Foundation during this period, the family did not have as strong control over the Foundation's activities as at the Edison Institute. In 1962, the Ford Foundation intended to rid itself of some of its Dearborn-area property by selling this acreage to the Ford Motor Company. However, the Edison Institute acquired the neighboring land through a government-based flood control land exchange program. Through connections with William Clay Ford, the Institute contacted the Ford Foundation about

⁶³⁵ Letter to Donald A. Shelley (Director, Henry Ford Museum) from Frank O. Spinney (Director, Old Sturbridge Village), 5 October 1955, Folder – Correspondence – 1953-1954, Box 1, Donald Shelley Papers, E.I. #216; Letter to Donald Shelley (Director, Henry Ford Museum) from Frank O. Spinney (Director, Old Sturbridge Village), 31 October 1955, Folder – Correspondence – 1953-1954, Box 1, Donald Shelley Papers, E.I. #216; Letter to "Honorary Overseers" from Frank O. Spinney (Director, Old Sturbridge Village), 21 October 1955, Folder – Correspondence – 1953-1954, Box 1, Donald Shelley Papers, E.I. #216; Letter to Frank O. Spinney (Director, Old Sturbridge Village) from Donald A. Shelley (Edison Institute), 25 October 1955, Folder – Correspondence – 1953-1954, Box 1, Donald Shelley Papers, E.I. #216; Letter to "Friends of Old Sturbridge Village" from Frank O. Spinney (Director, Old Sturbridge Village), 29 August 1955, Folder – Correspondence – 1953-1954, Box 1, Donald Shelley Papers, E.I. #216; and Letter to "Friend" from Frank O. Spinney (Director, Old Sturbridge Village), Undated, Folder – Correspondence – 1953-1954, Box 1, Donald Shelley Papers, E.I. #216.

⁶³⁶ Letter to Donald A. Shelley from Frank O. Spinney, 5 October 1955, Folder – Correspondence – 1953-1954, Box 1, Donald Shelley Papers, E.I. #216.

⁶³⁷ Letter to Frank O. Spinney from Donald A. Shelley, 25 October 1955, Folder – Correspondence – 1953-1954, Box 1, Donald Shelley Papers, E.I. #216; and Letter to Donald Shelley from Frank O. Spinney, 31 October 1955, Folder – Correspondence – 1953-1954, Box 1, Donald Shelley Papers, E.I. #216.

acquiring sections of the Foundation's land that abutted the Institute's new property.⁶³⁸ The Institute's administration hoped to use the property as a "disposable asset for potential future income," seeing the property donation as a gift by the Ford Foundation and the Ford Motor Company.⁶³⁹ In the end, the Ford Foundation's president, Henry Heald, wrote that the Foundation intended to sell the property as a "business arrangement unrelated to the Foundation's grant-making activities."⁶⁴⁰ Although the Ford family continued to have control over the Edison Institute and Ford Motor Company, the Foundation functioned relatively independent of the family's control during this period.

The Ford Family's Governance of their Enterprises

The Edison Institute's board provided integral leadership during a time of increasingly professionalized activity. However, the board's overlapping interests with the Fords' other enterprises complicated its priorities and strategy for the Institute's future. In a letter to the Edison Institute's executive director, A.K. Mills, Kenneth Chorley of Colonial Williamsburg made a keen observation upon seeing reference to the Institute's board in a news release. At the time, the Board of Trustees included Henry Ford II, Benson Ford, William Clay Ford, and Robert Tannahill, as well as Mills serving as an ex officio member.⁶⁴¹ Chorley remarked that "I think you would be very smart if you enlarged this Board and put people on it who could bring advice

⁶³⁸ Letter to William C. Ford from Donald A. Shelley, Re: Flood Control Property Exchange, 2 March 1962, Folder – Ford Foundation – Southfield Property, Box 1, Donald Shelley Papers, E.I. #216; and Letter to James M. Nicely (Vice President and Treasurer, Ford Foundation) from Donald A. Shelley (Executive Director, Edison Institute), 15 March 1962, Folder – Ford Foundation – Southfield Property, Box 1, Donald Shelley Papers, E.I. #216.

⁶³⁹ Letter to James M. Nicely from Donald A. Shelley, 15 March 1962, Folder – Ford Foundation – Southfield Property, Box 1, Donald Shelley Papers, E.I. #216.

⁶⁴⁰ Letter to Donald A. Shelley (Executive Director, Edison Institute) from Henry T. Heald (President, Ford Foundation, New York), 21 March 1962, Folder – Ford Foundation – Southfield Property, Box 1, Donald Shelley Papers, E.I. #216.

⁶⁴¹ Robert Tannahill served as a recognized collector and patron of the arts in Detroit. He was the first cousin of Eleanor Ford, wife of Edsel Ford, and an active member of the Detroit Institute of Arts, along with Mr. and Mrs. Edsel Ford. Marjorie Leslie Harth, "Robert Hudson Tannahill (1893-1969): Patron and Collector" Ph.D. diss., University of Michigan, 1985), 2, 21, 33-34. See also Upward, *A Home for Our Heritage*, 176; and Letter to A.K. Mills (Henry Ford Museum and Greenfield Village) from Kenneth Chorley (Colonial Williamsburg), 12 January 1953, Folder – Mills, A.K. 1951-55, Box 10, Frank Caddy Executive Files, E.I. #57.

and counsel and who are in no way related to the Fords personally or to the Ford organization.”⁶⁴²

In working with the Rockefeller family’s founding and governance at Colonial Williamsburg, Chorley encountered a similar situation to that encountered with the Ford family at the Edison Institute. Chorley stated that the matter of family membership on the board served as a significant issue, primarily due to public perception of the organization functioning as a “family hobby,” instead of a public institution.⁶⁴³

The concern regarding the board’s size and composition came down to a decision by the Edison Institute’s board president, William Clay Ford. In correspondence with A.K. Mills, Ford indicated that he thought that the board could be expanded by one or two people. However, he believed that the Institute should retain the Ford family’s board majority, due to Henry Ford creating the organization as a hobby. He stated that this hobby-origin “seems to be one of the factors which gives [the Institute] such charm and personal warmth.”⁶⁴⁴ William Clay Ford’s response indicated the board’s intent to retain the Ford family’s leadership within the Institute, regardless of public perception.

The Ford family’s overlapping responsibilities on the institutions’ boards resulted in complex situations for all of the involved organizations. Henry Ford II presented “Investment in Human Progress” about the Ford Foundation’s activities at the 1954 Ford Motor Company Management meeting. As the president of both Ford Motor Company and the Ford Foundation, he believed that the employees of the Company should be interested in the workings of the Foundation. At that time, the Foundation obtained most of its funding directly from dividends of

⁶⁴² Letter to A.K. Mills from Kenneth Chorley, 12 January 1953, Folder – Mills, A.K. 1951-55, Box 10, Frank Caddy Executive Files, E.I. #57, 1.

⁶⁴³ Ibid.

⁶⁴⁴ Letter to A.K. Mills (Executive Director, Henry Ford Museum and Greenfield Village) from William C. Ford (President, Henry Ford Museum and Greenfield Village), 20 January 1953, Folder – Mills, A.K. 1951-55, Box 10, Frank Caddy Executive Files, E.I. #57.

Ford Motor Company stocks, given to it by Henry, Clara, and Edsel Ford. The remaining four percent of its income derived from government bonds.⁶⁴⁵

During his presentation, Henry Ford II explained that “the results of our efforts—the profits we make—now provide the Foundation with most of the funds it invests in human progress.”⁶⁴⁶ Under its relatively new funding areas, the Foundation provided about 27 percent to foreign-oriented grants and 73 percent to United States-based projects and programs.⁶⁴⁷ While Henry Ford II encouraged Company employees’ interest in the Foundation’s philanthropic efforts, the Ford Motor Company Fund, not the Foundation, provided support to the programs and organizations located in the employees’ local communities.

The Ford family's efforts to professionalize and stabilize Henry Ford’s many enterprises were not limited to only his nonprofit organizations. Within the Ford Motor Company itself, Henry Ford II started to implement more professionalized approaches to the services being offered to his family and those of Company executives. In a memo sent to his administration in 1950, Henry Ford II indicated that the company originally created a system to cover costs for “personal services” as a means to save time. Due to the amount of money being spent by the Company on these costs, he changed the policy so that individuals covered their own expenses. This change in policy applied to the executives and their families, including all members of the Ford family. As a result, Henry Ford II helped to delineate between personal and business activities of the family and the company.⁶⁴⁸

⁶⁴⁵ Henry Ford II and H. Rowan Gaither, Jr., *Investment in Human Progress: A Report on the Ford Foundation*, Report published from script of motion picture “Investment in Human Progress,” presented at Ford Motor Company Management Meeting on 20 May 1954, Box 1, Accession 923, Ford Foundation collection, Benson Ford Research Center, 1, 3-5.

⁶⁴⁶ *Ibid.*, 1.

⁶⁴⁷ *Ibid.*, 3.

⁶⁴⁸ Letter Re: “Personal Services Performed by Ford Motor Company” to Members of the Administration Committee from T. O. Yntema, 27 February 1956, Folder – Administration Committee, Box 12, Acc. #2003.146; and Letter to K.D. Cassidy, R.W. Dulmage, J. B. Sluiter, V.Y. Tallberg from Henry Ford II, 28 August 1952, Folder – Administration Committee, Box 12, Acc. #2003.146.

Distinguishing the Ford family's personal and business interests became increasingly important when the Ford Motor Company became a publically-owned company in 1956.⁶⁴⁹ Ford Motor Company had its first public stock offering in January of 1956, due to the sale of 10.2 million common shares by the Ford Foundation. This sale represented 22 percent of the Ford stock held by the Foundation, as it intended to diversify its investments. Based on this sale, the Foundation decreased its share in Ford Motor Company from 88.4 percent to 67.6 percent.⁶⁵⁰ The Ford family's leadership within their organizations evolved throughout the 1950s, resulting in the gradual separation of these institutions from one another. However, they retained most of their board and executive positions in these organizations, including the Edison Institute.

Conclusion

With the emergence of the third generation of Ford family members on the Edison Institute's board, professional staff took on an increasingly significant role in the Institute's operating strategy. Over time, the Institute sought to adapt through its movement away from Henry Ford's founding leadership style and original philanthropic model. Gradually, the organization sought to stabilize itself through the development of a long-term plan for its leadership, funding, and programs. It sought input from museum professionals nationally, in order to better understand its needs and develop a sustainable strategy for its future. Through the hiring of Donald Shelley and other professional museum staff, the Institute became a widely-respected institution that was competitive within the museum field. As part of its strategy to become self-sustainable, the Institute continued to rely upon the Ford Motor Company, as the Ford family created the Ford Motor Company Fund to organize the Company's philanthropic

⁶⁴⁹ Letter Re: "Personal Services Performed by Ford Motor Company" to Members of the Administration Committee from T. O. Yntema, 27 February 1956, Folder – Administration Committee, Box 12, Acc. #2003.146; and Letter to K.D. Cassidy, R.W. Dulmage, J. B. Sluiter, V.Y. Tallberg from Henry Ford II, 28 August 1952, Folder – Administration Committee, Box 12, Acc. #2003.146.

⁶⁵⁰ "Ford Motor Company, Annual Report 1955," Folder – 1955, Box 1, Annual Reports (Ford Motor Company), Ford Motor Company Serials Collection, 6.

initiatives. The Ford family's overlapping presence on their institutions' boards resulted in their continued support of the Edison Institute through grants and in-kind support. Following the deaths of two generations of Ford family members, the third generation implemented strategies at the Institute that depended on increasingly professionalized staff and the expansion of corporate philanthropic mechanisms for its support. In the coming years, the Edison Institute would rely upon this increasingly professionalized staff and strategy, as well as its connection with the Ford family, to best navigate one of the most turbulent times in the Institute's history, the congressional hearings for the Tax Reform Act of 1969.

CHAPTER FIVE: SURVIVING THE TAX REFORM ACT OF 1969

Introduction

By the 1960s, the Edison Institute firmly relied upon consistent support from the Ford Motor Company and the leadership of the Ford family. However, emerging tax reform legislation threatened the Institute's established funding and governance structures. During this period, the American public and Congress became increasingly concerned by the explosive growth and questionable practices of foundations and other philanthropic institutions. Simultaneously, museums across the country expressed concern about increasing operational costs and decreasing funding opportunities. The Institute's involvement with the Ford family, the Ford Foundation, Ford Motor Company, and the Ford Motor Company Fund resulted in the Institute becoming entangled in the Congressional hearings of the Tax Reform Act of 1969 and related legal challenges throughout the 1960s and 1970s. Over time, the Institute developed increasing amounts of public support, creating a new funding strategy that depended less on Ford-related support for its future survival. The Edison Institute sought to sustain itself by diversifying its leadership and funding in order to best navigate the requirements established under the Tax Reform Act of 1969.

The Changing State of Philanthropy during the 1960s

The Edison Institute successfully navigated a transition in funding and leadership during the 1950s. However, it faced growing external challenges common to the entire American philanthropic sector over the next decade. Changing trends in the nonprofit sector precipitated increasing public concern in the growth of foundation and nonprofit activity across the country.

As early as 1912, the U.S. Congress has actively regulated foundations and other forms of philanthropic activity. Congress created the U.S. Commission on Industrial Relations in August 1912 under the chairmanship of Frank P. Walsh. Known as the Walsh Commission, this

group investigated industrial and management issues, including those of the Rockefeller family.⁶⁵¹ The Walsh Commission Report (1916) served as one of the earliest Congressional criticisms of foundations. The report focused on the activity of wealthy families who controlled industrial corporations, in addition to using their philanthropic foundations to influence educational and social service organizations.⁶⁵² At the time, the restrictions recommended in the report were not enacted, although they aligned with future regulations on foundations.⁶⁵³ During this time, Congress, the press, and the public became increasingly concerned by the overlapping forms of power held by the industrial elite, especially in the way these men had power over corporations and foundations that could significantly impact the nation's economy. Concerns focused on public and institutional means to make these individuals accountable.⁶⁵⁴

In the decades following, particularly in the 1950s and continuing through the Tax Reform Act of 1969, foundations faced increased governmental regulation, reducing the benefits of creating these charitable institutions.⁶⁵⁵ Fears related to McCarthyism and the Cold War carried over to foundations, which were found to be increasingly politically active and shielding certain families from taxes and other forms of regulation.⁶⁵⁶ In addition, the Select Committee to Investigate Foundations and Comparable Organizations (known as the Cox Committee) began investigating foundation activity in 1953 and the Special Committee to Investigate Tax-Exempt

⁶⁵¹ Eleanor L. Brilliant, *Private Charity and Public Inquiry: A History of the Filer and Peterson Commissions* (Bloomington, Indiana: Indiana University Press, 2000), 11-13.

⁶⁵² John A. Edie, "Congress and Foundations: Historical Summary," *America's Wealthy and the Future of Foundations*, ed. Teresa Odendahl (New York: Foundation Center, 1987), 45.

⁶⁵³ *Ibid.*, 45; and Brilliant, *Private Charity and Public Inquiry*, 11-13.

⁶⁵⁴ Peter Dobkin Hall, "Resolving the Dilemmas of Democratic Governance: The Historical Development of Trusteeship in America, 1636-1996," *Philanthropic Foundations: New Scholarship, New Possibilities*, ed. Ellen Condliffe Lagemann (Bloomington, Indiana: Indiana University Press, 1999), 28-29.

⁶⁵⁵ Teresa Odendahl, "Independent Foundations and Wealthy Donors: An Overview," *America's Wealthy and the Future of Foundations*, 4; and Peter D. Hall, "The Welfare State and the Careers of Public and Private Institutions Since 1945," in *Charity, Philanthropy, and Civility in American History*, ed. Lawrence J. Friedman and Mark D. McGarvie (New York: Cambridge University Press, 2003), 367.

⁶⁵⁶ David C. Hammack and Helmut K. Anheier, "American Foundations: Their Roles and Contributions to Society," *American Foundations: Roles and Contributions*, eds. Helmut K. Anheier and David C. Hammack (Washington, D.C.: Brookings Institution Press, 2010), 21; and Brilliant, *Private Charity and Public Inquiry*, 4, 16.

Foundations and Comparable Organizations (known as the Reece Committee) continued these Congressional investigations of foundation activity.⁶⁵⁷ Recommendations from these committees built upon the framework of the Revenue Act of 1950, including calls for increased accountability and public information.⁶⁵⁸ Regulation of foundations began with the Revenue Act of 1950, which required “arm’s length” transactions between business and charity, as well as restricted tax exemptions related to foundations’ failure to pay out their investment income.⁶⁵⁹

Concurrent Revenue Acts (1954 and 1964) resulted in additional changes to the regulation of foundations. The tax deductions available to certain kinds of public charity activity increased. In comparison, foundations maintained their relatively low level of tax deductibility.⁶⁶⁰ The 1954 redrafting of the Internal Revenue Code resulted in the 501(c)(3) designation which identified particular charitable, educational, and religious institutions that had both an exemption from income tax and for which donors could deduct their contributions. In comparison, other forms of 501(c) organizations only received limited tax exemptions.⁶⁶¹ The revised tax code also provided some of the earliest legal differentiation between private foundations and public charities.⁶⁶² These changes came about as part of a full rewriting of the American tax law system, in order to organize the previous conglomeration of amendments.⁶⁶³ The formalization of the new tax code paved the way for new financial and legal specialists who concentrated on providing tax guidance to individuals and organizations.⁶⁶⁴

⁶⁵⁷ Brilliant, *Private Charity and Public Inquiry*, 14-15.

⁶⁵⁸ *Ibid.*, 17

⁶⁵⁹ Odendahl, “Independent Foundations and Wealthy Donors,” *America’s Wealthy*, 11; and Edie, “Congress and Foundations,” *America’s Wealthy*, 46.

⁶⁶⁰ Odendahl, “Independent Foundations and Wealthy Donors,” *America’s Wealthy*, 11.

⁶⁶¹ Hall, “The Welfare State and the Careers of Public and Private Institutions Since 1945,” *Charity, Philanthropy, and Civility in American History*, 368; and Brilliant, *Private Charity and Public Inquiry*, 23.

⁶⁶² Brilliant, *Private Charity and Public Inquiry*, 23.

⁶⁶³ Peter Dobkin Hall, “A Historical Overview of Philanthropy, Voluntary Associations, and Nonprofit Organizations in the United States, 1600-2000,” in *The Non-Profit Sector: Research Handbook*, 2nd ed., ed. Walter W. Powell and Richard Steinberg (New Haven: Yale University Press, 2006), 53.

⁶⁶⁴ *Ibid.*.

By the 1960s, America's nonprofit sector and philanthropic support increased to unprecedented levels. Although foundations became an increasingly well-established and growing part of American philanthropy, these institutions provided a relatively small portion of total giving during the 1960s.⁶⁶⁵ In less than 10 years, the number of foundations increased from only 600 before 1940 to approximately 1,700 before 1950, revealing the significant growth of these institutions and their impact on American philanthropic activity.⁶⁶⁶ The 1967 Foundation Center's Directory indicated that over 6,800 foundations, with assets of over \$200,000, gave \$1.2 billion and held total assets of \$19.9 billion.⁶⁶⁷ In comparison, the American Association of Fund-Raising Counsel indicated that individual giving was nine times the amount of foundation grants made in 1967.⁶⁶⁸ Foundations tended to support innovative programs and research initiatives, whereas smaller individual gifts gravitated toward well-established human services and religious organizations.⁶⁶⁹ In 1968, *Giving USA* indicated that out of a total \$15.8 billion contributed in the United States, \$12.1 billion (77 percent) originated from living individuals and \$1.5 billion (8 percent) came from foundations. Bequests provided for an additional \$1.3 billion (8 percent) and corporate gifts made up \$925 million (6 percent).⁶⁷⁰ With the expansion of these foundations, the American public and members of Congress became increasingly interested in foundation-based philanthropic activity.⁶⁷¹

During the 1950s, the Ford Foundation expanded from its origins as a Detroit-oriented institution to become America's largest private philanthropic foundation, giving over \$1.5 billion over the decade. In September 1961, the Foundation's board of trustees reexamined its priorities

⁶⁶⁵ Milton Katz, *The Modern Foundation: Its Dual Character, Public and Private* (New York: The Foundation Library Center, 1968), 7.

⁶⁶⁶ *Ibid.*, 9.

⁶⁶⁷ *Ibid.*, 8.

⁶⁶⁸ *Ibid.*, 7.

⁶⁶⁹ *Ibid.*

⁶⁷⁰ Foundation Center, *Philanthropic Foundations in the United States: A Brief Description* (New York: The Foundation Center, 1969), 8-10.

⁶⁷¹ Katz, *The Modern Foundation*, 9.

and programs.⁶⁷² Based on the 1961 study, the Foundation refined its funding priorities to include: “arts and sciences,” “educational affairs,” “international affairs,” “overseas development,” and “public and economic affairs.”⁶⁷³ These programmatic areas updated the Foundation’s focus, based on the expansion of its funding during the 1950s and 1960s, to include international development, education, and the expansion of artists’ work in the United States.⁶⁷⁴ By 1963, the Ford Foundation served as the single largest American patron of the arts. However, most of its grants focused on the creative and performing arts, rather than supporting libraries and museums.⁶⁷⁵ The Foundation recognized the impact of arts activity as economic engines and cultural resources within local communities.⁶⁷⁶ According to the Foundation’s board, consulting experts advised the Foundation of its responsibility to use its unparalleled resources “to act imaginatively and experimentally, and to address itself, as it has sought to do in the past, to the fundamental issues of our times.”⁶⁷⁷ As a result, the Foundation pursued sometimes questionable projects as a way to address global challenges to human welfare.⁶⁷⁸

The Ford Foundation began its national funding of arts and cultural institutions in 1956, through a \$2 million pilot program in the arts and humanities.⁶⁷⁹ Further growth in the arts and culture subsector during the 1960s resulted from the Ford Foundation’s initiatives for the performing arts, as well as the creation of the National Endowment for the Arts and the National

⁶⁷² *The Ford Foundation in the 1960s: Statement of the Board of Trustees on Policies, Programs, and Operations*, New York City: Ford Foundation, July 1962, Box 1, Accession 923, Ford Foundation collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029, 1-2.

⁶⁷³ *Ibid.*, 3.

⁶⁷⁴ *Ibid.*, 13, 15-16; and “Report of the Trustees of the Ford Foundation,” 27 September 1950, *Ford Foundation, Reports 1950-1952*, The Foundation Center Historical Foundation Collection, Ruth Lilly Special Collections and Archives, University Library, Indiana University-Purdue University Indianapolis, 755 West Michigan St., Indianapolis, Indiana 46202-5195, 19-22.

⁶⁷⁵ W. McNeil Lowry, *The Arts and Philanthropy* (Waltham, MA: Brandeis University, 1963), 10-11.

⁶⁷⁶ *Ibid.*, 15.

⁶⁷⁷ *The Ford Foundation in the 1960s: Statement of the Board of Trustees on Policies, Programs, and Operations*, New York City: Ford Foundation, July 1962, Box 1, Acc. #923, 15.

⁶⁷⁸ *Ibid.*, 16.

⁶⁷⁹ James Allen Smith, “Foundations as Cultural Actors,” *American Foundations: Roles and Contributions*, 275.

Endowment for the Humanities.⁶⁸⁰ The Ford Foundation's funding of the arts helped to strengthen cultural organizations through the development of increased financial resources and stabilization strategy for their support.⁶⁸¹ Overall, this Ford Foundation program aided the development of American cultural institutions' reliance on a diverse set of funding sources, which continues to this day.⁶⁸² The Ford Foundation's support of the arts helped to legitimize cultural institutions within public policy, opening lines of new governmental support to these organizations during the mid-twentieth century.⁶⁸³

While the Ford Foundation became an increasingly globalized philanthropic institution, the Edison Institute maintained its operations in Dearborn under the direction of the Ford family. The Institute continued to operate both the Henry Ford Museum and Greenfield Village, switching the preferred order of the Museum and Village in its marketing materials through the 1970s and 1980s. Although the administration failed in their attempt to reinvigorate the use of "The Edison Institute," it primarily functioned as the organization's legal name.⁶⁸⁴

Edison Institute Leadership and the Oncoming Challenges of Tax Reform

William Clay Ford served as both a vice president of Ford Motor Company and chairman of the Edison Institute's board. Preserved in the archival collections of the Benson Ford Research Center at The Henry Ford, a small portion of William Clay Ford's bookshelf offers insight into his personal library from his period of leadership. Among his books are *America's Museums: The Belmont Report*, providing data on the museum field's request for additional federal funding in 1968; *Foundations and the Tax Bill: Testimony on Title I of the Tax Reform Act of 1969*; the

⁶⁸⁰ William G. Bowen and others, *The Charitable Nonprofits: An Analysis of Institutional Dynamics and Characteristics* (San Francisco: Jossey-Bass Publishers, 1994), 55.

⁶⁸¹ Smith, "Foundations as Cultural Actors," *American Foundations*, 275-276.

⁶⁸² *Ibid.*, 276.

⁶⁸³ Stefan Toepler, "Roles of Foundations and Their Impact in the Arts," *American Foundations: Roles and Contributions*, 283

⁶⁸⁴ Jeanine Head Miller and others, *Telling America's Story: A History of the Henry Ford*, ed. Judith E. Endelman and Wendy Metros (Virginia Beach, VA: Donning Company Publishers, 2010), 97.

Ford Foundation's Milton Katz's 1968 work, *The Modern Foundation*; and the Foundation Center's pamphlet *Philanthropic Foundations in the United States*, describing the state of foundations in 1969.⁶⁸⁵ These sources provide a glimpse into the late 1960s as defining years for foundations, museums, and other nonprofits. The Ford family, its company, foundations, and the Edison Institute sat firmly in the middle of federal debates over the Tax Reform Act of 1969.

The Foundation Situation in the 1960s

Starting in 1961, Representative Wright Patman (Texas - Democrat) urged his Congressional subcommittee to examine foundations' abuse of their tax exemptions.⁶⁸⁶ He believed that "foundations have been used as highly questionable income-tax avoidance devices; as a means to perpetuate family control of a company; as sources of funds for financial wheeling-and-dealing, and even as handy arrangements for paying personal bills of wealthy founders."⁶⁸⁷ To further intensify the situation, foundations increased in number by approximately 1,200 annually during this period, reaching over 45,000 in 1967.⁶⁸⁸

By 1964, the Treasury Department, House Ways and Means Committee, and the Senate Finance Committee began to seriously investigate the foundation situation. Treasury Department personnel discovered troubling foundation management practices, including distortion of their tax-exempt purposes and public intent. Some of the most significant areas of concern focused around issues of self-dealing with affiliated individuals and corporations, as well as foundations being used to control businesses, including those held by family members.⁶⁸⁹ Although the overall number of cases of these violations proved few, the extent to which some foundations

⁶⁸⁵ Box 1 – Books, Pamphlets, Memos, Accession #104 – William Clay Ford Office Papers, Edison Institute Collection, Benson Ford Research Center.

⁶⁸⁶ Peter Frumkin, "Private Foundations as Public Institutions: Regulation, Professionalization, and the Redefinition of Organized Philanthropy," *Philanthropic Foundations: New Scholarship, New Possibilities*, 70.

⁶⁸⁷ Stanley Penn, "Curbing Foundations: Pressure is Intensifying for Stricter Controls of Tax-Exempt Groups," *Wall Street Journal*, 3 April 1967, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, Accession #57, Edison Institute Collection, Benson Ford Research Center.

⁶⁸⁸ Ibid.

⁶⁸⁹ Katz, *The Modern Foundation*, 17.

prioritized personal or corporate interests over their philanthropic intent seriously concerned the Treasury.⁶⁹⁰

In January 1967, President Lyndon B. Johnson enacted legislation that placed increasingly tight restrictions on foundation activity.⁶⁹¹ Only a month later, the public learned that the Central Intelligence Agency channeled government funding through multiple foundations, including the Ford Foundation.⁶⁹² The *Wall Street Journal* anticipated that President Johnson and Congress, under increasing pressure from fellow politicians and the public, would recommend increased regulation of foundations to prevent similar occurrences to the CIA situation. Based on earlier suggestions from the Treasury Department, proposed regulations included banning "...most types of financial transactions between foundations and those who control or operate them..."⁶⁹³

The Ford Foundation was not immune to the national criticism of foundation activity. The Foundation provided individual Travel and Study Awards to several of Senator Robert Kennedy's former staff instigated the Congressional hearings that resulted in the Tax Reform Act of 1969.⁶⁹⁴ In 1967, the Ford Foundation held over \$3.1 billion in assets, serving as the largest of America's foundations.⁶⁹⁵ In comparison, the Rockefeller Foundation held over \$800 million and the Duke Endowment had approximately \$660 million in assets during that same period. Together, the nation's 13 largest foundations held approximately one-third of American foundations' total assets.⁶⁹⁶

⁶⁹⁰ Ibid., 16.

⁶⁹¹ Penn, "Curbing Foundations," *Wall Street Journal*, 3 April 1967, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, E.I. #57; and Volker R. Berghahn, *America and the Intellectual Cold Wars in Europe: Shepard Stone Between Philanthropy, Academy, and Diplomacy* (Princeton, NJ: Princeton University Press, 2001), 155-156, 219.

⁶⁹² Penn, "Curbing Foundations," *Wall Street Journal*, 3 April 1967, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, E.I. #57.

⁶⁹³ Ibid.

⁶⁹⁴ Verne S. Atwater and Evelyn C. Walsh, *[A Memoir of] The Ford Foundation: The Early Years, 1936-1968* (New York: Vantage Press, 2011), 44-45.

⁶⁹⁵ Katz, *The Modern Foundation*, 18.

⁶⁹⁶ Ibid.

Public criticism of the Ford Foundation and other large foundations came about due to a general suspicion of privately-held concentrations of wealth and influence, without sufficient policy regulations and limitations in place.⁶⁹⁷ By 1967, a foundation founder could name anyone, of any relation to him or her, to a foundation's board at any point in its lifecycle.⁶⁹⁸ As a result, entire foundation boards could include the founder's family members. However, the Treasury Department's proposed regulations dictated that foundations would need to diversify their board after 25 years of operations, so that the founder and his or her relations could make up only a quarter of the board after that period. Based on the proposed regulation, the Ford Foundation would have been forced to diversify its board by 1961. With the Foundation's restructuring in the 1950s, the board had already expanded and diversified well in advance of this period. However, this regulation would have left no room for family-based foundation activity. In other words, even if the Foundation had remained in the control of the Ford family and continued its support of the Edison Institute, the new proposed governmental regulations would have forced the separation anyway by the end of the 1960s.

Proposed Treasury regulation also intended that foundations would not own any more than 20 percent of a company's stock. Due to the Ford Foundation's size and influence, it served as one of the foremost examples of the impact of emerging regulation on foundations nationally. The *Wall Street Journal* specifically indicated that the Ford Foundation would have to diversify its investments further, as it owned 30% of the Ford Motor Company's stocks in 1967.⁶⁹⁹ The Treasury and other interested parties particularly disapproved of the concentration of influence and control of the foundations held by families. Even more so, the Treasury disliked families who owned companies and used their foundations to control assets and limit taxes, without using

⁶⁹⁷ Ibid.

⁶⁹⁸ Penn, "Curbing Foundations," *Wall Street Journal*, 3 April 1967, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, E.I. #57.

⁶⁹⁹ Ibid.

any of the foundation funds for charitable work.⁷⁰⁰ Although no court rulings or regulations existed at the time to prevent family control over foundations, government officials criticized the practice as a “‘complete distortion’ of the reasoning behind the special tax treatment of foundations.”⁷⁰¹

Tax Reform Act of 1969

The Edison Institute’s administration and legal counsel carefully followed the development of federal tax legislation in the late 1960s.⁷⁰² The House Ways and Means Committee’s hearings on tax reform began on February 18, 1969. Representative Wright Patman (Texas), the renowned anti-foundation proponent, served as the first speaker on behalf of foundation opponents, claiming that “‘...philanthropy—one of mankind’s more noble instincts—has been perverted into a vehicle for institutionalized, deliberate evasion of fiscal and moral responsibility to the nation.’”⁷⁰³ Many members of Congress and the public believed that foundations and philanthropic giving in general served the private interests of the wealthy, particularly as a means to avoid paying taxes.⁷⁰⁴ The Ford Foundation’s president, McGeorge Bundy, representing the largest American foundation, provided input on the third day of the hearing.⁷⁰⁵ Under his leadership, the Ford Foundation became known for supporting

⁷⁰⁰ Edie, “Congress and Foundations,” *America’s Wealthy*, 51-52; and Penn, “Curbing Foundations,” *Wall Street Journal*, 3 April 1967, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, E.I. #57.

⁷⁰¹ Penn, “Curbing Foundations,” *Wall Street Journal*, 3 April 1967, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, E.I. #57.

⁷⁰² Memorandum Re: Pending Legislation Concerning Foundations the Board of Trustees (The Edison Institute) from Donald A. Shelley, 19 June 1969, Folder – Minutes 4 May 1967 through 17 May 1972, Box 4 – Edison Institute Material, E.I. #104.

⁷⁰³ As quoted in Waldemar A. Nielsen, *The Big Foundations* (New York: Columbia University Press, 1972), 9. See also *Ibid.*, 7-9.

⁷⁰⁴ Edie, “Congress and Foundations,” *America’s Wealthy*, 53.

⁷⁰⁵ Congressional Testimony Unrevised Stenographic Minutes, Mr. McGeorge Bundy (President, Ford Foundation) and Congressman Byrnes (House Ways and Means Committee), 20 February 1969 (?), Folder 1: House Ways and Means Committee Tax Reform Law of 1969 – Impact on Grantmaking – Memoranda, Correspondence, Reports, Testimony, Clippings (3 of 9), Box 10, Series I: Admin. Subject Files – H, National Affairs – Mitchell Sviridoff, Ford Foundation Records, Rockefeller Archive Center, 464-466.

controversial projects, including providing travel support to members of the late Senator Robert F. Kennedy's staff.⁷⁰⁶

The resulting proposed regulations brought foundations under increased oversight by the United States Department of the Treasury, although sections intending for foundations to pay out within forty years of their creation did not make the final bill.⁷⁰⁷ During this period and following the Tax Reform Act of 1969's passage, foundations across the country re-examined their practices.⁷⁰⁸ The Council on Foundation provided materials to these organizations to assist in understanding the new regulations.⁷⁰⁹

A memo to the Edison Institute's board specifically listed ways in which tax reforms proposed by the House of Representative's Ways and Means Committee would most likely impact the Institute's operations.⁷¹⁰ The proposed tax legislation of 1969 sought to define "private foundations," reclassifying organizations that had previously functioned as "public" organizations. The Institute recognized that this proposed federal regulation could lead to excessive restrictions on its activity, stock holdings, and relationship with the Ford family and their enterprises, depending on its tax exemption status. The threat of "private foundation" reclassification led to several years of active examination of the Institute's legal and financial activity.⁷¹¹ Colonial Williamsburg likewise became involved in the changing tax code during the 1950s and 1960s. As a result, representatives of the Rockefeller family had to intervene on its behalf during times of tax reform and changing IRS regulations.⁷¹²

⁷⁰⁶ Nielsen, *The Big Foundations*, 10-11.

⁷⁰⁷ Frumkin, "Private Foundations as Public Institutions," *Philanthropic Foundations*, 71.

⁷⁰⁸ Ibid.

⁷⁰⁹ Ibid., 72.

⁷¹⁰ Memorandum Re: Pending Legislation Concerning Foundations the Board of Trustees from Donald A. Shelley, 19 June 1969, Folder – Minutes 4 May 1967 through 17 May 1972, Box 4 – Edison Institute Material, E.I. #104, 1.

⁷¹¹ Letter to George A. Haviland from Nathan B. Hall (Ford Motor Company), 28 October 1969, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 3-4.

⁷¹² Brilliant, *Private Charity and Public Inquiry*, 36, 48, 56.

The legislation also levied an excise tax on private foundations' net investment income.⁷¹³ The Institute began to realize that its tax exemption status could change under the new legislation, resulting in it paying between \$75,000 and \$135,000 annually during the period of 1970 to 1974.⁷¹⁴ In order to accommodate the possibility of a 5 percent tax on its investment income, the Institute planned to decrease its spending in other areas and programs.⁷¹⁵ Federal committees recommended various amounts for this tax, including a 7.5 percent tax suggested in the House of Representatives and an alternative 0.2 percent tax on assets proposed in the Senate committee.⁷¹⁶

The House committee also proposed a 20 percent limit on foundations' ownership of corporate voting stock.⁷¹⁷ Due to the Ford Motor Company's earlier gift of the nearby Dearborn Inn (Seaboard Properties Company), the Institute held the majority of stock in the Inn.⁷¹⁸ Legal counsel advised that the Institute would need to wait until exceptions to the legislation were finalized before divesting its stock holdings in Seaboard Properties.⁷¹⁹ Versions of the bill also would have required the Institute to dispose of its Ford Motor Company stock, due to the amount of stock held by the Institute and Ford Foundation. As "related foundations," these institutions could not hold more than 2 percent of the voting stock in combination with the Ford family as

⁷¹³ Ford Foundation, *A Selected Chronology of the Ford Foundation* (New York: Ford Foundation Office of Reports, 1980), 11.

⁷¹⁴ Memorandum Re: Pending Legislation Concerning Foundations the Board of Trustees from Donald A. Shelley, 19 June 1969, Folder – Minutes 4 May 1967 through 17 May 1972, Box 4 – Edison Institute Material, E.I. #104, 1.

⁷¹⁵ Report to Board of Trustees Re: President's Report of Operations, 19 June 1969, Folder – Board Meeting 6/19/69 F. Caddy, Box 10, Frank Caddy Executive Files, E.I. #57, 1.

⁷¹⁶ President's Report of Operations to Board of Trustees, 26 November 1969, Folder – President's Reports to Board of Trustees, 1969-1970, Box 10, Frank Caddy Executive Files, E.I. #57, 3.

⁷¹⁷ Memorandum Re: Pending Legislation Concerning Foundations the Board of Trustees from Donald A. Shelley, 19 June 1969, Folder – Minutes 4 May 1967 through 17 May 1972, Box 4 – Edison Institute Material, E.I. #104, 1.

⁷¹⁸ See Appendix C for a map of the Edison Institute property. The interactive map indicates the relative location of the Dearborn Inn to the Edison Institute and Ford Motor Company properties.

⁷¹⁹ Memorandum Re: Pending Legislation Concerning Foundations the Board of Trustees from Donald A. Shelley, 19 June 1969, Folder – Minutes 4 May 1967 through 17 May 1972, Box 4 – Edison Institute Material, E.I. #104, 1.

“disqualified persons” who also held over 20 percent of the Company’s voting stock.⁷²⁰ The House and Senate versions of the bill outlined differing requirements for divesting stock. While the House suggested that this process would begin within a year and half, the Senate Finance Committee offered a 15-year period before organizations would have to dispose certain kinds of stock, allowing the Institute to temporarily keep its Ford stock if the proposed legislative elements made it through the committee process.⁷²¹

Perhaps most significantly, the proposed legislation included “a virtually complete prohibition of transactions between foundations and contributing organizations.”⁷²² In the years before 1969, the Ford Motor Company donated materials, services, and utilities to the Institute. However, the increase in the Institute’s endowment and the threat of potential legislation resulted in a change in this policy. In lieu of its previous donations to the Institute, the Company established a formula to sell these services and utilities to the Institute at cost.⁷²³ Based on this system of dependency, legal counsel again recommended waiting for a full listing of exceptions to determine the future of the Institute’s relationship with the Company.⁷²⁴ Both versions of the proposed legislation provided strict rules for “self-dealing.” Under these regulations, the Institute realized that it would have to end its arrangement with the Ford Motor Company regarding its discounted access to utilities and services. Even the most lenient version originating from the

⁷²⁰ Letter to George A. Haviland from Nathan B. Hall, 28 October 1969, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 3.

⁷²¹ President’s Report of Operations to Board of Trustees, 26 November 1969, Folder – President’s Reports to Board of Trustees, 1969-1970, Box 10, Frank Caddy Executive Files, E.I. #57, 4.

⁷²² Memorandum Re: Pending Legislation Concerning Foundations the Board of Trustees from Donald A. Shelley, 19 June 1969, Folder – Minutes 4 May 1967 through 17 May 1972, Box 4 – Edison Institute Material, E.I. #104, 1.

⁷²³ Letter to George A. Haviland from Nathan B. Hall, 28 October 1969, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 2; and Memorandum Re: Pending Legislation Concerning Foundations the Board of Trustees from Donald A. Shelley, 19 June 1969, Folder – Minutes 4 May 1967 through 17 May 1972, Box 4 – Edison Institute Material, E.I. #104, 1.

⁷²⁴ Memorandum Re: Pending Legislation Concerning Foundations the Board of Trustees from Donald A. Shelley, 19 June 1969, Folder – Minutes 4 May 1967 through 17 May 1972, Box 4 – Edison Institute Material, E.I. #104, 1.

Senate Finance Committee only permitted this kind of activity for several years beyond the enactment of the new laws.⁷²⁵

In response to the evolving situation, William Clay Ford wrote to members of Congress to explain the Edison Institute's situation in regards to the proposed legislation. Senator Eugene McCarthy of Minnesota and Representative George H. W. Bush of Texas, among others on the Senate Finance Committee and the House of Representatives' Ways and Means Committee, received William C. Ford's letters.⁷²⁶ In his letters, William Clay Ford requested the inclusion of a blanket exception for educational, non-grantmaking museums, providing a similar exemption on investment income as had been developed for churches and schools.⁷²⁷ Representative George Bush responded explaining that the abuses of a few foundations "are, to some degree, hurting all the foundations."⁷²⁸ He hoped to see good legislation developed that would not "penalize the legitimate philanthropic organizations."⁷²⁹

The Tax Reform Act of 1969 occurred amid multiple public investigations and general skepticism regarding foundation activity.⁷³⁰ Representatives of the Rockefeller Foundation and Ford Foundation, among others, presented testimony as part of the congressional debates and investigations for tax reform.⁷³¹ The Ford Foundation provided fellowships to the late-Robert Kennedy's aides following his assassination, resulting in widespread criticism of its funding

⁷²⁵ President's Report of Operations to Board of Trustees, 26 November 1969, Folder – President's Reports to Board of Trustees, 1969-1970, Box 10, Frank Caddy Executive Files, E.I. #57, 4.

⁷²⁶ President's Report of Operations to Board of Trustees, 20 August 1969, Folder – President's Reports to Board of Trustees, 1969-1970, Box 10, Frank Caddy Executive Files, E.I. #57, 4; Letter to Senator Eugene J. McCarthy from William C. Ford (Chairman, Board of Trustees, The Edison Institute), 23 September 1969, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104; and Letter to William C. Ford (Vice President, Product Planning and Design, Ford Motor Company) from George Bush (7th District, Texas, House of Representatives; Member of Ways and Means Committee), 27 June 1969, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104.

⁷²⁷ Letter to Senator Eugene J. McCarthy from William C. Ford, 23 September 1969, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 2.

⁷²⁸ Letter to William C. Ford from George Bush, 27 June 1969, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104.

⁷²⁹ Ibid.

⁷³⁰ Edie, "Congress and Foundations," *America's Wealthy*, 53.

⁷³¹ Brilliant, *Private Charity and Public Inquiry*, 66-67.

activities. The Ford Foundation's activities served as significant instigators and potential causes for the stringent regulations developed as part of the Tax Reform Act of 1969.⁷³² Congressional hearings focused on the Ford Foundation and other institutions that concentrated their resources on political, instead of philanthropic, purposes.⁷³³

In October 1969, the Senate held additional hearings regarding the proposed Tax Reform Act of 1969. As part of these hearings, multiple individuals affiliated with the Ford Foundation served as representatives, including board chairman Julius Stratton, President McGeorge Bundy, and board trustee J. Irwin Miller.⁷³⁴ In his testimony, Miller disagreed with the proposed taxes on foundations, claiming that their funds are "...intended for distribution for philanthropic purposes, for the public well-being. To reduce these publically-dedicated funds by any percentage is to diminish the value to society by just that amount."⁷³⁵ His testimony summarized that foundations served a vital function in American society and taxes and regulations on these institutions would inhibit their ability to be most effective.⁷³⁶

Likewise, the Foundation's board chairman Julius Stratton described the role of foundations as supporters and catalysts for the innovations that could best meet America's public needs.⁷³⁷ The proposed definitions for private foundations significantly impacted the work of nationally-renowned organizations, including many supported by the Ford Foundation and those that did not serve in a grant-making capacity.⁷³⁸ As a result, many organizations that required

⁷³² Joel L. Fleishman, *The Foundation: A Great American Secret: How Private Wealth is Changing the World* (New York: PublicAffairs, 2007), 211.

⁷³³ Hall, "A Historical Overview," *The Non-Profit Sector: A Research Handbook*, 54.

⁷³⁴ J. Irwin Miller also served as chairman of the board at Cummins Engine Company in Columbus, Indiana. See United States Senate Finance Committee, *Foundations and the Tax Bill: Testimony on Title I of the Tax Reform Act of 1969, Submitted by Witnesses Appearing Before the United States Senate Finance Committee, October, 1969* (New York: The Foundation Center, 1969), xiii-xiv, 2.

⁷³⁵ *Ibid.*, 7.

⁷³⁶ *Ibid.*, 8-9.

⁷³⁷ *Ibid.*, 97.

⁷³⁸ Memorandum of Views of the Ford Foundation on Tentative Decisions on Foundations Announced in Press Release #10 of the House Ways and Means Committee, 27 May 1969, Folder 8: House Ways and Means Committee Tax Reform Law of 1969 – Impact on Grantmaking – Memoranda, Correspondence, Reports, Testimony, Clippings (2 of 9), Box 9, Series I: Admin. Subject Files – H, National Affairs – Mitchell Sviridoff, Ford Foundation Records, Rockefeller Archive Center, 1, 11-12.

external public support to carry out charitable missions would be limited in their work through regulation inhibiting their ability to gain external funding while paying unprecedented taxes on their income.⁷³⁹ Donald Shelley and the Institute staff continued to follow the situation, as news of changes to the legislation could significantly change the Institute's tax status and operations.⁷⁴⁰

In response to the congressional investigations of foundation activity, John D. Rockefeller III and several large American foundations created the Commission on Foundations and Private Philanthropy (known as the Peterson Commission).⁷⁴¹ Under the direction of Peter G. Peterson, the Peterson Commission (1969-1970) hoped to present a unified voice for the sector as part of the congressional hearings.⁷⁴² The findings of the Peterson Commission provided important information for the congressional hearings for the Tax Reform Act of 1969.⁷⁴³ While the commission recommended similar solutions to those suggested by Congress, it also revealed that many of the problems claimed by Rep. Patman existed on a significantly smaller scale than first suggested.⁷⁴⁴ Unfortunately, only Peterson's testimony of Commission findings was completed in time for the congressional hearings. The Peterson Commission's final report, *Foundations, Private Giving, and Public Policy (Report and Recommendations of the Commission on Foundations and Private Philanthropy)* was not published until 1970, nearly a year after the Tax Reform Act of 1969.⁷⁴⁵

In addition, the American public viewed foundations and philanthropy as a means for wealthy individuals to avoid paying their required taxes.⁷⁴⁶ During Congressional hearings,

⁷³⁹ United States Senate Finance Committee, *Foundations and the Tax Bill*, 98-99, 104.

⁷⁴⁰ President's Report of Operations to Board of Trustees, 20 August 1969, Folder – President's Reports to Board of Trustees, 1969-1970, Box 10, Frank Caddy Executive Files, E.I. #57, 4.

⁷⁴¹ Olivier Zunz, *Philanthropy in America: A History* (Princeton, New Jersey: Princeton University Press, 2012), 227; Edie, "Congress and Foundations," *America's Wealthy*, 53; and Brilliant, *Private Charity and Public Inquiry*, 2.

⁷⁴² Zunz, *Philanthropy in America*, 227; and Brilliant, *Private Charity and Public Inquiry*, 2.

⁷⁴³ Brilliant, *Private Charity and Public Inquiry*, 69, 71.

⁷⁴⁴ Edie, "Congress and Foundations," *America's Wealthy*, 53.

⁷⁴⁵ Brilliant, *Private Charity and Public Inquiry*, 90.

⁷⁴⁶ Edie, "Congress and Foundations," *America's Wealthy*, 53.

McGeorge Bundy of the Ford Foundation and other foundation executives defended their institutions' activity and the charitable actions of individual giving. In the case of Bundy's testimony, Congressmen Byrnes and Griffiths attributed the Ford Foundation's wealth to Henry and Edsel's initial bequest as a tax dodge, rather than to the significant growth of the Ford Motor Company stock's worth in the subsequent twenty years, as argued by Bundy.⁷⁴⁷ Both interpretations of the Ford's philanthropy and related law were accurate. However, the foundation executives' defense did not make sufficient progress in the face of fierce government regulation.⁷⁴⁸ Likewise, both foundations and nonprofits faced uncertainty and threats to their charitable status, based on their relationships, holdings, and potential taxation on activity that they had participated in for decades. Proposals within the tax reform threatened foundations based on their relationships with government officials, while museum and other nonprofits encountered the possibility of taxes on donated property and the elimination of deductions for donated art work.⁷⁴⁹

The Carnegie Corporation president, Alan Pifer, wrote in 1970 that ““We resent the irrational emphasis placed by Congress on a few uncharacteristic instances of administrative caprice in foundations and the excessive attention given to a few egregious cases of real abuse, while the overall positive record of foundations in American life are ignored.””⁷⁵⁰ Within the congressional hearings, the successful argument was made that the “dead hand” of donors did not

⁷⁴⁷ Congressional Testimony Unrevised Stenographic Minutes, Mr. McGeorge Bundy and Congressman Byrnes, 20 February 1969 (?), Folder 1, Box 10, Series I, National Affairs – Mitchell Sviridoff, Ford Foundation Records, Rockefeller Archive Center, 464-466; and Congressional Testimony Unrevised Stenographic Minutes, Mr. McGeorge Bundy (President, Ford Foundation) and Congresswoman Griffiths (House Ways and Means Committee), 20 February 1969 (?), Folder 2: House Ways and Means Committee Tax Reform Law of 1969 – Impact on Grantmaking – Memoranda, Correspondence, Reports, Testimony, Clippings (4 of 9), Box 10, Series I: Admin. Subject Files – H, National Affairs – Mitchell Sviridoff, Ford Foundation Records, Rockefeller Archive Center, 507-513.

⁷⁴⁸ Hall, “The Welfare State and the Careers of Public and Private Institutions Since 1945,” *Charity, Philanthropy, and Civility in American History*, 374; and Congressional Testimony Unrevised Stenographic Minutes, Mr. McGeorge Bundy (President, Ford Foundation) and Congressman Burke (House Ways and Means Committee), 20 February 1969 (?), Folder 7: House Ways and Means Committee Tax Reform Law of 1969 – Impact on Grantmaking – Memoranda, Correspondence, Reports, Testimony, Clippings (1 of 9), Box 9, Series I: Admin. Subject Files – H, National Affairs – Mitchell Sviridoff, Ford Foundation Records, Rockefeller Archive Center, 524, 527.

⁷⁴⁹ Brilliant, *Private Charity and Public Inquiry*, 76-77.

⁷⁵⁰ Frumkin, “Private Foundations as Public Institutions,” *Philanthropic Foundations*, 71.

influence the direction of foundations. Instead, trustees served the public good by adjusting the donor's original intent to the needs of contemporary society.⁷⁵¹

The Tax Reform Act of 1969 imposed further regulations on private foundations, significantly restructuring the tax code in which they had operated for decades.⁷⁵² As signed by President Richard Nixon on December 30, 1969, the Tax Reform Act of 1969 provided new definitions to delineate between public charities and private foundations.⁷⁵³ Public charities received more favorable tax benefits, due to their being publically supported or falling into specific traditionally charitable classifications. Other public charities supported these institutions or provided public safety testing. In comparison, private foundations made up the remaining organizations, being those that did not meet the above criteria.⁷⁵⁴ Within this system, operating foundations were defined as private foundations that directed 85 percent of their investment income to direct service toward tax-exempt purposes.⁷⁵⁵ The final version of the bill did not maintain recommendations to limit foundations' lifetimes to forty years or other burdensome requirements.⁷⁵⁶

Under this act, foundations faced new excise taxes, including a four-percent investment tax, payout requirements, restrictions on self-dealing activity, and regulations against "excess business holdings."⁷⁵⁷ Restrictions on self-dealing involved a 5 percent penalty tax in the amount of the transaction between the disqualified person and the private foundation. These individuals included those who contributed to or had a leadership role within the foundation, as well as certain family members, government officials, or owner of certain related corporations or

⁷⁵¹ Zunz, *Philanthropy in America*, 227-228.

⁷⁵² Edie, "Congress and Foundations," *America's Wealthy*, 53.

⁷⁵³ Ibid., 54; Hall, "A Historical Overview," *The Non-Profit Sector: A Research Handbook*, 54; and Brilliant, *Private Charity and Public Inquiry*, 85.

⁷⁵⁴ Edie, "Congress and Foundations," *America's Wealthy* 54.

⁷⁵⁵ Ibid.

⁷⁵⁶ Frumkin, "Private Foundations as Public Institutions," *Philanthropic Foundations*, 71; and Brilliant, *Private Charity and Public Inquiry*, 79, 86.

⁷⁵⁷ Odendahl, "Independent Foundations and Wealthy Donors," *America's Wealthy*, 12; Edie, "Congress and Foundations," *America's Wealthy*, 55; and Frumkin, "Private Foundations as Public Institutions," *Philanthropic Foundations*, 71.

trusts.⁷⁵⁸ The restrictions on excess business holdings required that foundations and their disqualified persons not hold over 20 percent of a single company and generally diversify their investment portfolio.⁷⁵⁹ Approximately 50 percent of the largest American foundations of the time were originally created with controlling stock for the creation of their endowments.⁷⁶⁰ Following passage of the Tax Reform Act of 1969, these foundations were forced to dispose of these stock holdings.⁷⁶¹ However, some foundations received special permission from Congress to at least temporarily avoid these restrictions on their stock holdings.⁷⁶²

American Museums in the Late 1960s

To further complicate the Edison Institute's situation, America's museums faced declining federal funding and increased operating expenses during the late 1960s. Although the Edison Institute did not utilize federal funding, it shared other museums' significant reliance on private funding and local sources of income. In a survey conducted by the Boston Museum of Science during this period, a sample of science museums indicated 60 percent of their funding originated from private gifts, endowment income, and earned revenue, while the other 40 percent came from governmental funding.⁷⁶³ While some museum directors expressed concern about private gifts significantly decreasing, others indicated declining endowments.⁷⁶⁴ During the period from 1960 to 1967, the Edison Institute received over \$737,000 in income from its investments, making up a small but growing component of its revenue.⁷⁶⁵

⁷⁵⁸ Edie, "Congress and Foundations," *America's Wealthy*, 56.

⁷⁵⁹ Odendahl, "Independent Foundations and Wealthy Donors," *America's Wealthy*, 12; and Hall, "Resolving the Dilemmas of Democratic Governance," *Philanthropic Foundations*, 8.

⁷⁶⁰ Odendahl, "Independent Foundations and Wealthy Donors," *America's Wealthy*, 12.

⁷⁶¹ *Ibid.*

⁷⁶² Hall, "Resolving the Dilemmas of Democratic Governance," *Philanthropic Foundations*, 8.

⁷⁶³ Michael W. Robbins, *America's Museums: The Belmont Report*, A Report to the Federal Council on the Arts and the Humanities by a Special Committee of the American Association of Museums (Washington, D.C.: American Association of Museums, 1969), 26-27.

⁷⁶⁴ *Ibid.*, 27.

⁷⁶⁵ "The Edison Institute Schedule of Investment Income, 1960-67," Folder – Fund Request, Foundation, Box 4, Frank Caddy Executive Files, E.I. #57.

Across the museum field, institutions needed to make significant updates to their facilities and increase spending to accommodate growth in attendance and collections.⁷⁶⁶ By 1968, the Edison Institute received over 1.3 million visitors, following a similar trend in increased attendance to museums nationally and incurring the increased expenses associated with a rise in visitor attendance.⁷⁶⁷ In response to these and similar challenges, many museums considered increasing or starting to charge admission and other revenue-oriented fees, driving sales of publications, memberships, and other activities at museums to provide much-needed funding.⁷⁶⁸ However, the Edison Institute decided to take a different approach to solving its financial challenges.

Planning for a Long-term Solution

The debates surrounding the Tax Reform Act of 1969 developed in the midst of the Edison Institute's attempt to create a sustainable funding strategy through a joint partnership with the Ford Foundation and the Ford Motor Company Fund. The Ford Foundation recognized that Henry and Edsel's bequest to the Ford Foundation neglected any direct support of the Institute, although the Foundation's representatives stated that "there is reason to believe that they expected the Foundation would continue to support it."⁷⁶⁹ In a 1966 letter to Henry Ford II, McGeorge Bundy, then president of the Ford Foundation, responded to the Institute's request to assist with a long-term funding solution for the organization.⁷⁷⁰ With the help of the Foundation staff, Bundy determined that approximately \$40 million would be required over a five year period for the Institute's endowment and capital needs to be met. However, the Foundation refused to take on a

⁷⁶⁶ Robbins, *America's Museums*, vi.

⁷⁶⁷ "The Ford Foundation: Annual Report 1969," *Ford Foundation, Finances 1967, Reports 1968-1969*, The Foundation Center Historical Foundation Collection, 52.

⁷⁶⁸ Robbins, *America's Museums*, 27-28.

⁷⁶⁹ Memorandum between Julius A. Stratton and Joseph M. McDaniel, Jr., 31 October 1967, The Edison Institute, Granted 23 January 1969, Ford Foundation Grant 69-129, Reel 1551, Ford Foundation records, Rockefeller Archive Center, 4.

⁷⁷⁰ Letter to Henry Ford II (Edison Institute) from McGeorge Bundy (Ford Foundation), 22 September 1966, Folder – Ford Foundation Request, Foundation, Box 4, Frank Caddy Executive Files, E.I. #57, 1; and Memorandum to Ford Foundation Grantees from McGeorge Bundy (President, Ford Foundation, New York), 31 December 1969, The Foundation Center Historical Foundation Collection.

project of this magnitude by itself, suggesting that it would limit itself to providing one-third of these funds. Bundy recommended that the Ford family or the Ford Motor Company provide the majority of the funding, as a “major joint effort.”⁷⁷¹

Within the letter, Bundy contextualized the challenges of funding the Institute, in terms of the evolving relationship of the Ford Foundation, Ford Motor Company, and the Ford family.⁷⁷² He indicated that the issue of a conflict of interest between the Company and the Foundation “has been studied and in the strictly legal sense, it does not exist.”⁷⁷³ However, the Foundation staff realized that a partnership between the Foundation, Company, and Ford family could present a public relations problem, regardless of their long history of supporting the Institute. The Foundation’s staff and counsel most wanted to avoid a situation in which it appeared that the Foundation supported the Institute in whole or in majority part, in the place of the Company or family.⁷⁷⁴ Based on this situation, the Foundation hoped to establish a temporary partnership with the Company and Ford family to provide the Institute with necessary funds to become self-sustaining.⁷⁷⁵

Across the country, foundations during this period became increasingly focused on professionalized grantmaking activity. Rather than trustees directing grants to their favorite organizations, the foundations attempted to legitimize their grantmaking around strictly enforced funding areas.⁷⁷⁶ One point of concern for the Foundation’s potential support of the Edison Institute came about due to its funding areas in the 1960s. As Bundy described in his letter, the Ford Foundation did not regularly support archives and museums, resulting in its potential funding of the Institute being an exception rather than the rule.⁷⁷⁷ Ironically, the Ford Foundation

⁷⁷¹ Letter to Henry Ford II from McGeorge Bundy, 22 September 1966, Folder – Ford Foundation Request, Foundation, Box 4, Frank Caddy Executive Files, E.I. #57, 1.

⁷⁷² *Ibid.*, 2.

⁷⁷³ *Ibid.*

⁷⁷⁴ *Ibid.*

⁷⁷⁵ *Ibid.*, 3.

⁷⁷⁶ Frumkin, “Private Foundations as Public Institutions,” *Philanthropic Foundations*, 92.

⁷⁷⁷ Letter to Henry Ford II from McGeorge Bundy, 22 September 1966, Folder – Ford Foundation Request, Foundation, Box 4, Frank Caddy Executive Files, E.I. #57, 2.

gave the National Trust for Historic Preservation a \$23,000 grant in 1967, specifically to study educational and professional standards required of an expanding field resulting from new national interest in history.⁷⁷⁸ In comparison, the Foundation sought to justify a future grant to the Edison Institute based on its shared history and founding by Henry Ford. The Foundation hoped that this clear connection with the Fords would help it avoid being inundated with grant requests from historical museums and archives as a direct result of providing a grant to the Institute.⁷⁷⁹

A Temporary \$40 Million Partnership to Secure the Institute's Future

On October 21, 1969, William Clay Ford announced the \$40 million Ford Foundation and Ford Motor Company combined grant at the Edison Institute's 40th anniversary celebration.⁷⁸⁰ The Company and Foundation each agreed to provide \$20 million grants toward the Institute's long-term expansion plans, with the Company grant originating from the Ford Motor Company Fund.⁷⁸¹ At the announcement, William Clay Ford directly referenced the Institute as “one of the greatest philanthropic legacies of my grandfather.”⁷⁸² The grants served to perpetuate Henry Ford's Edison Institute by providing much needed funding for its future. The Ford Fund and Ford Foundation grants were intended to meet the increased needs of an expanding organization and visitor attendance through provisions to increase the Institute's endowment, improve its facilities, and further develop its educational programming.⁷⁸³ Approximately half of the total \$40 million was designated toward improving the Institute's infrastructure and educational

⁷⁷⁸ William G. Wing, “Ford Foundation Awards \$23,000 to Trust for Education Study: Whitehill Appointed Committee Chairman,” by William G. Wing in *Preservation News: Safeguarding America's Landmarks*, March 1967, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, E.I. #57, 1, 6.

⁷⁷⁹ Letter to Henry Ford II from McGeorge Bundy, 22 September 1966, Folder – Ford Foundation Request, Foundation, Box 4, Frank Caddy Executive Files, E.I. #57, 4.

⁷⁸⁰ Miller, *Telling America's Story*, 119; and Geoffrey C. Upward, ed., *A Home for Our Heritage: The Building and Growth of Greenfield Village and Henry Ford Museum, 1929-1979* (Dearborn, MI: The Henry Ford Museum Press, 1979), 138, 151.

⁷⁸¹ Miller, *Telling America's Story*, 119; and Upward, *A Home for Our Heritage*, 138, 151.

⁷⁸² Miller, *Telling America's Story*, 119.

⁷⁸³ “The Ford Foundation: Annual Report 1969,” *Ford Foundation, Finances 1967, Reports 1968-1969*, The Foundation Center Historical Foundation Collection, 52.

programs, while the two grantors expected the second half to be used to bolster the Institute's endowment. As a result, the Institute would have sufficient funding to sustain itself and make necessary upgrades to its facilities in preparation for further growth and self-reliance in future years.⁷⁸⁴

As part of the grant announcement, William Clay Ford stated that his grandfather, Henry Ford, “underestimated [the Institute’s] financial needs when he conceived it more than a generation ago.”⁷⁸⁵ One may more accurately state that Henry Ford did not anticipate the way in which the Ford family’s philanthropy and the Ford Foundation would evolve over multiple generations. While the Institute’s needs in the 1960s were significant, the organization depended upon more formalized philanthropic mechanisms and leadership from a younger generation of Ford family members, who regarded their Institute responsibilities as board members rather than highly-active founders. The \$40 million in grant support provided much-needed capital to handle a new generation of challenges and visitors, who came to the Institute in unprecedented numbers.⁷⁸⁶ Henry Ford may have not have underestimated the monetary needs of the Institute, as suggested by William Clay Ford’s announcement. Instead, Henry Ford may have more accurately not anticipated the increased complexity of the Institute’s future leadership and funding needs. Regardless of the wording of William Clay Ford’s statement, he recognized the potential impact of an infusion of Company and Foundation funds on the Institute. In essence, these dollars would serve to sustain Henry Ford’s legacy at the Institute and expand upon it through improved facilities, programs, and a future strategy less dependent on annual contributions from the Ford-originated foundations.⁷⁸⁷

⁷⁸⁴ Miller, *Telling America’s Story*, 119; and Upward, *A Home for Our Heritage*, 153.

⁷⁸⁵ Miller, *Telling America’s Story*, 119.

⁷⁸⁶ Upward, *A Home for Our Heritage*, 153.

⁷⁸⁷ Upward, *A Home for Our Heritage*, 153; and Letter to Henry Ford II from McGeorge Bundy, 22 September 1966, Folder – Ford Foundation Request, Foundation, Box 4, Frank Caddy Executive Files, E.I. #57, 3.

Ford Motor Company Fund and Ford Foundation

Both the Foundation and Fund intended to give out five annual payments of \$4 million each to the Edison Institute for a total of \$40 million in grant money.⁷⁸⁸ Several challenges became apparent in the payment and stipulations of these grants. The Ford Motor Company Fund began distributing payments from its \$20 million portion of the 1969 Edison Institute grant on December 31, 1968. However, the Fund postponed its final payment for a full year, so that the Institute received payments its 1972 payment in 1973.⁷⁸⁹ In comparison, the Ford Foundation planned to give the first of its five grant payments a day later, on January 1, 1969.⁷⁹⁰ This one day delay from the Fund's planned payments resulted in its providing \$4 million annual payments from 1969 to 1973.⁷⁹¹ The variation in grant payment schedule resulted in the Institute grants changing tax year, influencing future calculations of the Institute's public support during the early 1970s.

The Foundation's grant to the Edison Institute came to the Institute in the form of Ford Motor Company Common Stock. As part of the grant letter, the Foundation outlined the ways in which the Institute could use the stock, stating that the Institute could not "...sell, assign or

⁷⁸⁸ See Appendix I. Ford Motor Company Fund (Michigan), Return of Organization/Foundation Exempt from Income Tax, Calendar Years 1950, 1953, 1956-1957, 1960, 1962-1974, The Foundation Center Historical Foundation Collection.

⁷⁸⁹ See Appendix I. Ibid.

⁷⁹⁰ See Appendix I. Letter Re: Grant Number 690-0129 to Donald A. Shelley (President, The Edison Institute) from Howard R. Dressner (Secretary, Ford Foundation), 23 January 1969, Folder – Edison Institute Grant 1969, Box 1, Accession 1410, Ford Foundation Subject File Records, Benson Ford Research Center, 1; and Ford Motor Company Fund (Michigan), Return of Organization/Foundation Exempt from Income Tax, Calendar Years 1950, 1953, 1956-1957, 1960, 1962-1974, The Foundation Center Historical Foundation Collection.

⁷⁹¹ See Appendix I for year-by-year financial information regarding the Edison Institute's 1969 grants from the Ford Foundation and Ford Motor Company Fund. "The Ford Foundation: Annual Report 1969," *Ford Foundation, Finances 1967, Reports 1968-1969*, The Foundation Center Historical Foundation Collection, 52, 154; "The Ford Foundation: Annual Report 1970," *Ford Foundation, Statement of Investments 1970-1973, Reports 1970-1973*, The Foundation Center Historical Foundation Collection, 83; "The Ford Foundation: Annual Report 1971," *Ford Foundation, Statement of Investments 1970-1973, Reports 1970-1973*, The Foundation Center Historical Foundation Collection, 89; "The Ford Foundation: Annual Report 1972," *Ford Foundation, Statement of Investments 1970-1973, Reports 1970-1973*, The Foundation Center Historical Foundation Collection, 79; and "The Ford Foundation: Annual Report 1973," *Ford Foundation, Statement of Investments 1970-1973, Reports 1970-1973*, The Foundation Center Historical Foundation Collection, 79.

otherwise dispose of such shares for a period of five years... [without the Foundation's] written consent."⁷⁹² Similar transfers of stock were scheduled as payment of the total \$20 million grant on January 1st of the other four years.⁷⁹³

In the Foundation's initial communications with the Institute, the Foundation specifically stated that it would limit its publicity of the grant, at the Edison Institute's request, to its annual report.⁷⁹⁴ The Edison Institute's president, Dr. Donald Shelley, was concerned about the publicity of the grants would have an "adverse effect on employe [*sic*] morale and the possible acquisition of new exhibits."⁷⁹⁵ However, due to national upheaval regarding foundations' activity, the Ford Foundation's staff later determined that a public announcement would avoid the perception of the Foundation hiding its activities.⁷⁹⁶ This decision coincided with the Ford Foundation and other foundations nationally becoming increasingly transparent about their activity, in keeping with their role as institutions intended for the public good.⁷⁹⁷

The announcement of the Fund and Foundation-partnered grant to the Institute came about as a result of a June 1969 meeting between George Haviland, Richard Magat, and Howard Dressner. During the meeting, Haviland, William Clay Ford's executive assistant at the Ford Motor Company, recommended to Magat and Dressner, both of the Foundation, that the Edison Institute's 40th anniversary celebration would serve as an ideal date for the grant's

⁷⁹² Letter Re: Grant Number 690-0129 to Donald A. Shelley from Howard R. Dressner, 23 January 1969, Folder – Edison Institute Grant 1969, Box 1, Acc. #1410, 1.

⁷⁹³ *Ibid.*, 1.

⁷⁹⁴ Letter Re: Status of The Ford Foundation Grant to Members of the Board of Trustees (Edison Institute) from Donald A. Shelley, Undated, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center; and Letter Re: Status of The Ford Foundation Grant to Henry Ford II, Benson Ford, and William Clay Ford from John Sagan, 25 February 1969, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

⁷⁹⁵ Letter Re: Status of The Ford Foundation Grant to Henry Ford II, Benson Ford, and William Clay Ford from John Sagan, 25 February 1969, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

⁷⁹⁶ Intra Company Letter to Mr. W. C. Ford (Design Center, Ford Motor Company) from George Haviland, 19 June 1969, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

⁷⁹⁷ Frumkin, "Private Foundations as Public Institutions," *Philanthropic Foundations*, 75.

announcement.⁷⁹⁸ As a result, the Institute received its first grant payment prior to its October 21, 1969 anniversary celebration, when William Clay Ford announced the combined \$40 million grants from the Ford Foundation and Ford Motor Company Fund.⁷⁹⁹

The Ford Foundation and the Tax Reform Act of 1969

As the Tax Reform Act of 1969 became increasingly solidified, the Ford Foundation took action on behalf of its grantees. At the end of December 1969, the Ford Foundation sent out a detailed memorandum to all of its grantees regarding the effects of the legislation. President Richard Nixon signed the Tax Reform Act into law, enacting new regulations on foundations across the country. The Foundation admitted that much of the legislation would require future clarification through Treasury regulations and rulings.⁸⁰⁰

The meaning and implications of the Tax Reform Act of 1969 were debated for the next several years.⁸⁰¹ The Council on Foundations provided explanations to many foundations and charitable organizations, as only a few of the largest institutions were directly involved in the congressional proceedings.⁸⁰² As a result, the Council helped to prevent widespread panic about the Act's implications on the philanthropic field during this period.⁸⁰³

The new tax law impacted the work of the nation's largest foundations.⁸⁰⁴ The heavily-involved Ford Foundation delayed its grantmaking activity for a year, in order to better determine the full implications of the new tax law on its efforts.⁸⁰⁵ The Foundation also hired a team of specialized staff to assist the foundation in navigating the new regulation and procedures.⁸⁰⁶ Part of their challenge following the passage of the new tax law came in

⁷⁹⁸ Intra Company Letter to Mr. W. C. Ford from George Haviland, 19 June 1969, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

⁷⁹⁹ Miller, *Telling America's Story*, 119; and Upward, *A Home for Our Heritage*, 138, 151.

⁸⁰⁰ Memorandum to Ford Foundation Grantees from McGeorge Bundy (President, Ford Foundation, New York), 31 December 1969, The Foundation Center Historical Foundation Collection.

⁸⁰¹ Brilliant, *Private Charity and Public Inquiry*, 99-100.

⁸⁰² Frumkin, "Private Foundations as Public Institutions," *Philanthropic Foundations*, 72.

⁸⁰³ *Ibid.*, 72.

⁸⁰⁴ Brilliant, *Private Charity and Public Inquiry*, 100.

⁸⁰⁵ *Ibid.*

⁸⁰⁶ *Ibid.*, 101.

determining the meaning and implications of “private foundation” status.⁸⁰⁷ In 1970, the U.S. Treasury Department worked to better clarify the meaning of the new regulations.⁸⁰⁸ Even President Richard Nixon encountered personal challenges with the new Tax Reform. He faced accusations in the years following its passage regarding his income taxes and personal donations, findings concurrent with discoveries of other illegal activity related to the Watergate scandal.⁸⁰⁹

Overall, the Tax Reform Act of 1969 significantly decreased the incentives for creating foundations.⁸¹⁰ Following the Act’s passage, foundation executives directed their institutions through times of assessment, transparency, and professionalization.⁸¹¹ As part of this process, foundations began to improve their reporting activity and become increasingly visible to the public. Through increased communication, these institutions hoped to dispel the inaccurate and misleading myths that negative press had generated around foundations’ activity.⁸¹²

Some of the new regulations noted in the Ford Foundation memorandum did not significantly impact the Edison Institute. For instance, the legislation required that the Ford Foundation’s funding not be used for certain kinds of advocacy and voting-related activity. The new reforms also instituted a 4-percent excise tax that resulted in the Ford Foundation decreasing funds available for making grants each year.⁸¹³ Some additional provisions of the legislation included regulations against self-dealing and requirements for the foundation’s reporting and payout procedures.⁸¹⁴

Other sections of the Ford Foundation’s letter proved much more pertinent to the Edison Institute. The legislation provided a new definition for “private foundations” that established increased regulation on these institutions. The Tax Reform Act defined these private foundations

⁸⁰⁷ Ibid., 100.

⁸⁰⁸ Ibid.

⁸⁰⁹ Ibid., 118.

⁸¹⁰ Odendahl, “Independent Foundations and Wealthy Donors,” *America’s Wealthy*, 12.

⁸¹¹ Frumkin, “Private Foundations as Public Institutions,” *Philanthropic Foundations*, 71.

⁸¹² Ibid., 75.

⁸¹³ Memorandum to Ford Foundation Grantees from McGeorge Bundy (President, Ford Foundation, New York), 31 December 1969, The Foundation Center Historical Foundation Collection, 1.

⁸¹⁴ Ibid., 2.

as “any 501(c)(3) organization other than—in general—colleges and universities, publicly-supported charities, and organizations meeting a special test involving sources and amounts of support.”⁸¹⁵ With this new definition, some of the Foundation’s grantees faced the imminent threat of a reclassified tax status and increased regulation on their relationship with the Foundation.

The Edison Institute: A Public Charity or a Private Foundation?

The Edison Institute and Ford Foundation faced emerging problems related to the Tax Reform Act of 1969.⁸¹⁶ Many of these challenges came down to issues of the Act’s new definition of private foundations and relevant regulations on these organizations. The Ford Foundation recognized early on that it would be considered a private foundation, while the Edison Institute remained one of thousands of organizations nationally left uncertain of its tax classification under the new law.⁸¹⁷

The Foundation’s first grant payment arrived nearly a full year late, in 1970, as a direct response to the Tax Reform situation. Foundation staff and its legal counsel expressed concern about proposed regulations in the Tax Reform Act of 1969 and how the Foundation’s relationship and grantmaking to the Institute would be seen in light of strict self-dealing language. During the summer of 1970, the Edison Institute and Ford Foundation’s respective legal counsel initiated correspondence regarding whether the Institute served as a “disqualified person” to the Foundation under the updated tax code.⁸¹⁸ With the Ford family holding over 35 percent of the Institute’s board and voting power, the Foundation recognized that it may serve as a conflict in a

⁸¹⁵ Ibid., 2.

⁸¹⁶ Letter Re: The Edison Institute to Eli Whitney Debevoise (Debevoise, Plimpton, Lyons and Gates – New York, New York) from Hill, Lewis, Adams, Goodrich and Tait, 3 August 1970, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

⁸¹⁷ Ibid., 1; and “Edison Institute – Current Status of Federal Tax Questions,” N. B. Hall, 21 November 1972, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 4.

⁸¹⁸ Letter Re: The Edison Institute to Eli Whitney Debevoise from Hill, Lewis, Adams, Goodrich and Tait, 3 August 1970, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216, 1; and Note to Arthur D. Trottenberg from Kieran M. Bracken, 5 November 1970, Folder 484: Subject Files – Edison Institute 1970, Box 49, Office Files of Arthur D. Trottenberg, Division of Administration, Ford Foundation Records, Rockefeller Archive Center.

transaction between a private foundation and charitable organization with disqualified persons on the board.⁸¹⁹ As one example of the Institute's overlapping board members, Benson Ford also served in multiple other roles during the period in which the IRS reviewed the Institute's activities. He served as Vice President and Chairman of the Dealer Policy Board at Ford Motor Company, Director of the Institute-owned Seaboard Properties Company, and Trustee and President of the Ford Motor Company Fund, in addition to serving as President of the Henry Ford Hospital and director of several other Detroit-area and automotive-related organizations.⁸²⁰

Concerns about the Institute retaining "public foundation" status continued, even during the period in which the language of the Tax Reform Act of 1969 appeared favorable to the Institute's situation. During the next year, the Ford Foundation staff reviewed their ongoing grants, including the planned grant to the Edison Institute, for any breaches of the Tax Reform Act's provisions.⁸²¹ Through connections between legal counsel and Treasury staff drafting the new regulations, the Ford Foundation and Ford Motor Company Fund continued to monitor the legislative language while making grant payments to the Institute. In June 1971, one of the Institute's legal counsel staffers personally attended hearings in Washington, D.C. in regards to the regulations of the Tax Reform Act.⁸²² Based on applicable tax and corporate law of the time, the counsel determined that the Institute would qualify as a "disqualified person," if the IRS classified the Institute as a private foundation in any given year.⁸²³ They determined that the Institute received nearly all of its support from multiple generations of the Ford family and their

⁸¹⁹ "Edison Institute – Current Status of Federal Tax Questions," N. B. Hall, 21 November 1972, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 4.

⁸²⁰ The Ford Foundation, Business and Non-Profit Directorships of Trustees: Benson Ford, Folder – Tax Reform Act of 1969 – 1969-1974, Box 3, Acc. #1410.

⁸²¹ "Certificate of Review," Ford Foundation Office of the Treasurer from W. McNeil Lowry, 5 June 1970, The Edison Institute, Granted 23 January 1969, Ford Foundation Grant 69-129, Reel 1551, Ford Foundation records, Rockefeller Archive Center.

⁸²² Interoffice Communication Re: Edison Institute Tax Ruling to Messrs. H.R. Nolte, Jr., G.S. Allan, Sidney Kelly, J.E. Sattler, G.A. Haviland, E.J. Hillen, C.L. Matthews, and L.R. Langdon from Nathan B. Hall (Associate Tax Counsel, Office of the General Counsel, Ford Motor Company), 8 June 1971, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 1.

⁸²³ Letter Re: The Edison Institute to Eli Whitney Debevoise from Hill, Lewis, Adams, Goodrich and Tait, 3 August 1970, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216, 1.

company, resulting in the Institute and Foundation sharing the same set of “persons” responsible for their support and founding.⁸²⁴

The legal counsel described in their correspondence that, in determining potential “private foundation” status, the Institute would face a “four-year average test.”⁸²⁵ Under the updated Internal Revenue Code, the averaging of four years’ worth of revenue would define the Institute’s “normal” support for the following two taxable years.⁸²⁶ Based on the counsels’ calculations, the Institute functioned as a “non-private foundation” as of the early part of 1970.⁸²⁷

The counsel determined that, based on their understanding of the evolving tax and corporate law in Michigan, the Edison Institute did not serve as a “disqualified person” in regards to the Foundation. As counsel stated, “it is literally true that The Edison Institute is a corporation and that its voting power is held entirely by members of the Ford family....”⁸²⁸ However, foundation-related law changed significantly since the time of the Ford Foundation and Edison Institute’s creation in the 1920s and 1930s. The term “non-profit corporations” was used in Michigan law, resulting in an overlap with the Internal Revenue Code’s use of “corporation” as a stock-based company.⁸²⁹ In the counsel’s determination that the Ford family’s voting membership at the Institute did not function as ownership of the organization, the counsel believed that the Foundation and Institute’s relationship did not place either organization at risk under the new tax law.⁸³⁰

Village Road

In the midst of the Edison Institute’s legal confusion over the ramifications of the Tax Reform Act of 1969, the Ford Motor Company attempted to continue business as usual. In 1970,

⁸²⁴ Ibid.

⁸²⁵ Ibid., 2.

⁸²⁶ Ibid.

⁸²⁷ Ibid.

⁸²⁸ Ibid, 5.

⁸²⁹ Ibid., 3-5.

⁸³⁰ Ibid., 3-5.

the Company proposed creating a Visitor Reception Center near the Institute's property.⁸³¹ Staff members from the Ford Motor Company and Edison Institute worked together to determine the best approach to the situation, prior to it being taken up to Ford family members in the Company's board and administration.⁸³² Based on their understanding of new tax regulation, both Institute and Company staff believed that the museum complex would be reclassified as a private foundation by 1973.⁸³³ At the time, Company counsel calculated that the Institute had only one out of every four dollars originating from public support, rather than the one-of-three ratio required under the new legislation.⁸³⁴ They recognized that the Institute's potential "private foundation" status would significantly limit its interactions with the Ford Motor Company.

With the Institute surrounded by Ford Motor Company property, the Institute and Company's relationship became an issue for three potential locations for the proposed visitor center.⁸³⁵ Two of the options involved leasing agreements between the Company and Institute, in which either parking lot space or entire buildings would be used by the non-owning institution. While one proposed location was located on Institute property, the other two bordered land owned by the Institute.⁸³⁶ Due to the Company intending to build after October 1969, the

⁸³¹ "Edison Institute – Current Status of Federal Tax Questions," N. B. Hall, 21 November 1972, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 2-3; Letter to Donald A. Shelley (President, Henry Ford Museum and Greenfield Village) from John E. Sattler (Director, Public Relations Services Office, Ford Motor Company), 21 October 1970, Folder – John Sattler, Box 1, Donald Shelley Papers, E.I. #216.

⁸³² Report Re: Proposed Visitor Relations Reception Facility to J.E. Sattler (Director, Public Relations Services Office) from N. B. Hall (Ford Motor Company Office of the General Counsel), 15 October 1970, Folder – John Sattler, Box 1, Donald Shelley Papers, E.I. #216, 6.

⁸³³ The April 1, 1973 approximation for the Institute's private foundation status originated based on calculations of the Institute's four year moving average. See "Attachment A – Application of 'Self-dealing' Provisions to Company-Institute Relationships," Report Re: Proposed Visitor Relations Reception Facility to J.E. Sattler (Director, Public Relations Services Office) from N. B. Hall (Ford Motor Company Office of the General Counsel), 15 October 1970, Folder – John Sattler, Box 1, Donald Shelley Papers, E.I. #216, 2; and Report Re: Proposed Visitor Relations Reception Facility to J.E. Sattler from N. B. Hall, 15 October 1970, Folder – John Sattler, Box 1, Donald Shelley Papers, E.I. #216, 1.

⁸³⁴ "Attachment A – Application of 'Self-dealing' Provisions to Company-Institute Relationships," Report Re: Proposed Visitor Relations Reception Facility to J.E. Sattler from N. B. Hall, 15 October 1970, Folder – John Sattler, Box 1, Donald Shelley Papers, E.I. #216, 2.

⁸³⁵ Report Re: Proposed Visitor Relations Reception Facility to J.E. Sattler from N. B. Hall, 15 October 1970, Folder – John Sattler, Box 1, Donald Shelley Papers, E.I. #216, 1.

⁸³⁶ Ibid.

arrangement could not be grandfathered into rulings for the Tax Reform Act of 1969. The reality of the Institute's looming private foundation status quickly eliminated the option of the Company leasing an Institute-owned building, as the Company would have to leave the site by 1973.⁸³⁷ Only one of the sites proposed for the new visitor center was located on Company land and provided no self-dealing challenges. However, Company staff preferred the site located adjacent to the Institute's entrances, which was only accessible by Village Road.⁸³⁸

Village Road served as the greatest complication for the Ford Visitor Reception Center proposal. Although privately owned by the Institute, the road also served as the property line between Ford Motor Company and the Edison Institute. Some company employees and members of the general public used the road to access Ford Motor Company buildings during regular working hours. However, the Institute closed the gates on both ends of this road each night to ensure the highest possible security for its facility.⁸³⁹

In order to guarantee that the Company could continue access to this road, its counsel determined that issues of self-dealing could be avoided if arrangements could be made that did not favor the company any more than would otherwise be available to the public. Counsel proposed requesting a ruling by the IRS to cover the Village Road situation, recommending that the Company could develop a less advantageous situation for itself, in keeping with the law, if it compensated the Institute by maintaining the road.⁸⁴⁰ Counsel presented several other options, including giving the road to the City of Dearborn, having the Company buy it outright, or sharing the road through the development of a permanent easement.⁸⁴¹

In February of 1971, the Institute submitted a request to the IRS regarding Village Road. The request intended to ensure that the Institute's status as either a public or private foundation

⁸³⁷ Ibid., 2.

⁸³⁸ The Ford Visitor Reception Center now functions as the Ford Conference and Event Center, located directly across from the Henry Ford Museum. See Ibid., 2, 6, and attachment map of the property.

⁸³⁹ Ibid., 2.

⁸⁴⁰ Ibid., 3-4.

⁸⁴¹ Ibid., 4-5.

would not impact the ability of Ford Motor Company employees and visitors to its Visitor Reception Center to use the privately-owned road.⁸⁴² The Ford Motor Company's Operating Policy determined that the Visitor Reception Center should be built across from the Edison Institute and depend on Village Road access for its visitors, conditional upon the IRS approving a related ruling.⁸⁴³

Late in 1971, the Institute received a favorable ruling from the IRS regarding the Ford Motor Company's use of its private Village Road. The IRS's ruling came about due to the Company's willingness to cover all maintenance costs for the road, in the case that Institute received "private foundation" status. This ruling provided for continued use of the road by visitors and staff of both the Company and Institute, regardless of the Institute's tax classification.⁸⁴⁴

Determining the IRS Ruling

In May of 1971, the Edison Institute received a response from the IRS regarding its tax status, stating that "...we have classified you as an organization that is not a private organization..." with the stipulation that "Any changes in your purposes, character, or method of operation ... may [impact] your status."⁸⁴⁵ The Ford Motor Company lawyers spent time double checking this determination to make sure that not being a private foundation meant the same as being a public foundation. One of William Clay Ford's staff members wrote to him saying, "Not having a legal mind, I'm ready to believe that it means what it says."⁸⁴⁶ The Institute's staff and

⁸⁴² Interoffice Communication Re: Edison Institute Tax Ruling to Messrs. H.R. Nolte, Jr., G.S. Allan, Sidney Kelly, J.E. Sattler, G.A. Haviland, E.J. Hillen, C.L. Matthews, and L.R. Langdon from Nathan B. Hall, 8 June 1971, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 1.

⁸⁴³ Ibid.

⁸⁴⁴ "Edison Institute – Current Status of Federal Tax Questions," N. B. Hall, 21 November 1972, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 2-3.

⁸⁴⁵ Letter to "Gentlemen" (The Edison Institute) from Chief, Rulings Section (Exempt Organizations Branch, Internal Revenue Service), 27 May 1971, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104.

⁸⁴⁶ Letter to W. C. Ford from George Haviland, 4 June 1971, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104.

the Ford's counsel were excited for the moment, as this ruling would save the Institute nearly \$100,000 each year.⁸⁴⁷

As of January 1972, the Edison Institute's legal counsel submitted another request to the Internal Revenue Service for a ruling regarding the Institute's status as a public foundation.⁸⁴⁸ This additional ruling request was to confirm that the Institute would remain a public foundation under additional interpretations of the Tax Reform Act, especially due to the Institute's receiving \$40 million grants from the Ford Foundation and Ford Motor Company Fund. In the ruling request, the Institute indicated how it served as one of the ten largest museums in the country and the largest museum complex that did not depend upon state or federal funding. At that time, the Institute's board included five members of the Ford family (William Clay Ford, Benson Ford, Edith McNaughton Ford, Henry Ford II, and Walter Buhl Ford II), as well as Edison Institute staff members Donald Shelley (Executive Director), Frank Caddy (Director of Administration), and Robert Wheeler (Vice-President, Research and Interpretation).⁸⁴⁹ In addition to being caught within government bureaucracy, the Institute's legal counsel described how its ruling "involves an interpretation of a section of the [Internal Revenue] Code (Section 509(a)(2)) for which the regulations are not final."⁸⁵⁰ The Institute's case was served as part of the initial set of rulings regarding the updated regulation of the Tax Reform Act of 1969. The Institute submitted additional materials to the IRS as part of the ruling process, in order to justify the legality of its investment policies and oversight of its endowment within Michigan law.⁸⁵¹

⁸⁴⁷ Ibid.

⁸⁴⁸ Letter Re: The Edison Institute to Leon E. Kaplan (Tax Law Specialist, Internal Revenue Service) from Hill, Lewis, Adams, Goodrich and Tait (Detroit, Michigan), 18 December 1972, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216, 1.

⁸⁴⁹ Draft Letter Re: The Edison Institute to Commissioner of Internal Revenue from The Edison Institute, 12 January 1972, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 3; and Upward, *A Home for Our Heritage*, 156.

⁸⁵⁰ Letter to Jay W. Sorge (Hill, Lewis, Adams, Goodrich and Tait) from Williams, Myers and Quiggle (Washington, D.C.), 19 July 1972, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

⁸⁵¹ Letter Re: The Edison Institute to Leon E. Kaplan from Hill, Lewis, Adams, Goodrich and Tait, 18 December 1972, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

Seeking a Tax Ruling on the Institute's \$40 Million Grant

As part of the Institute's tax ruling, the staff and counsel developed multiple documents that outlined the Institute's funding sources and support.⁸⁵² The Institute's \$40 million grant from the Foundation and Fund served to complicate the IRS tax ruling process. The point of contention in the IRS's tax ruling for the Institute became defining its "normal" means of support.⁸⁵³ The IRS determined "normal" support as a four-year averaging of funding sources. In order to meet the qualifications for public (rather than private) foundation status, the Institute needed to prove that its normal funding included over one-third from public sources (not disqualified persons) and under one-third from gross investment income.⁸⁵⁴ Without meeting these requirements, the IRS would rule the Institute to be a private foundation and subject to excise taxes.⁸⁵⁵

The Institute's staff and counsel wrote in their letter to the IRS: "Certainly Congress did not intend that an institution such as The Edison Institute ... should lose its status as a public foundation, become a private foundation for a four-year period, and regain its status as a public foundation after that period, all on account of one unusual grant for the purpose of helping it better perform its public functions, made prior to the introduction of, and without knowledge of, the Tax Reform Act of 1969."⁸⁵⁶

In averaging revenue amounts for each four-year period, the Institute estimated its ability to pass the Exempt Purposes Test, which required the Institute to "receive more than one-third ... of its total support in grants, gifts and gross receipts (admissions, concessions, etc.) from its

⁸⁵² See Appendix J for a compiled version of this data. Edison Institute Public Support, 1966-1979, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216; and "The Edison Institute, Estimated Sources of Support for Four-Year-Periods, Fiscal Years Ending March 31, 1966 through March 31, 1979," Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104.

⁸⁵³ Draft Letter Re: The Edison Institute to Commissioner of Internal Revenue from The Edison Institute, 12 January 1972, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 4-5.

⁸⁵⁴ Ibid.

⁸⁵⁵ Ibid.

⁸⁵⁶ Ibid., 5.

exempt activities (excluding amounts from disqualified persons).⁸⁵⁷ Based on these calculations, the Institute discovered that it could easily meet the requirements of this test. However, the Ford Foundation grant proved to be a problem. In calculating four-year averages that included any portion of the grant period (1969-1974), the Institute's percentage dropped below the required 33 percent public support, dipping to about 25 percent during the grant's middle years.⁸⁵⁸ Based on these numbers, the Institute worried that it would be reclassified from a public charity to a private foundation for several years as a direct result of this grant.⁸⁵⁹ In addition, four year averages also indicated a significant percentage of gifts and grants originating from "disqualified persons," as defined under the new tax code.⁸⁶⁰

As part of an effort to avoid problems with meeting the Institute's Exempt Purposes Test requirements, legal counsel for Ford Motor Company and the Institute realized that rescheduling certain grant payments would help solve the calculation challenges. The Ford Motor Company Fund delayed its final grant payment to January, instead of December, while the Ford Foundation deferred its final \$4 million installment by a few months, placing the grant firmly in fiscal year 1974.⁸⁶¹ This leveling out of the Edison Institute's income streams helped alleviate the drastic level of private support deriving from Ford enterprises and grants. However, even this

⁸⁵⁷ "The Edison Institute, Estimated Sources of Support for Four-Year-Periods, Fiscal Years Ending March 31, 1966 through March 31, 1979," Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104.

⁸⁵⁸ See Appendix J for additional detail regarding the percentages and amount of public support. Ibid.

⁸⁵⁹ Ibid.

⁸⁶⁰ Report to J.E. Sattler (Director, Public Relations Services Office) from Ford Motor Company Office of the General Counsel, 15 October 1970, Folder – John Sattler, Box 1, Donald Shelley Papers, E.I. #216.

⁸⁶¹ Only a limited amount of rescheduling could occur, as the Ford Fund and Ford Foundation grant pledges both depended on the other paying out in equal amounts. See "Attachment A – Application of 'Self-dealing' Provisions to Company-Institute Relationships," Report Re: Proposed Visitor Relations Reception Facility to J.E. Sattler from N. B. Hall, 15 October 1970, Folder – John Sattler, Box 1, Donald Shelley Papers, E.I. #216, 2-3; Letter to W.C. Ford from George Haviland, 7 February 1973, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104.; and Letter Re: The Edison Institute to Fred King (Staff Attorney, Ford Motor Company) from Mark K. Wilson (Hill, Lewis, Adams, Goodrich and Tait – Detroit, Michigan), 16 January 1973, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

adjustment in the payment of the Foundation grant did not completely ensure that the Institute would remain a public foundation.⁸⁶²

Building a Membership and Development Program

In order to help build the Institute's public support following the Tax Reform Act of 1969, the Institute established its inaugural membership program.⁸⁶³ Museums nationally had long-established membership programs that stimulated public involvement and funding of these organizations. Local museums, institutions created by major philanthropists, and government-run museums used memberships to promote public support. However, the Edison Institute had not required a significant amount of publically-based funding until the implementation of the Tax Reform Act of 1969.⁸⁶⁴

The Tax Reform Act's provisions required the Institute to increase its public support to one-third of its income. When calculated, the staff reported that the Institute would need an additional \$1.5 million in funding from the general public to ensure that the organization did not become reclassified as a private foundation.⁸⁶⁵ During the early part of 1970, the Institute's staff researched other museum-based membership programs nationally. They quickly realized that memberships generated between 2 percent and 6 percent of these organizations' annual income and oftentimes involved high administration costs to operate. Based on this research, staff approximated an inaugural program at the Institute would only produce \$25,000 to \$50,000 in its

⁸⁶² Letter Re: The Edison Institute to Fred King from Mark K. Wilson, 16 January 1973, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

⁸⁶³ Memorandum Re: Edison Institute Membership Program to the Board of Trustees (The Edison Institute) from Donald A. Shelley, 30 July 1970, Folder – Minutes May 4, 1967 through May 17, 1972, Box 4 – Edison Institute Material, E.I. #104; and Draft Letter Re: The Edison Institute to Commissioner of Internal Revenue from The Edison Institute, 12 January 1972, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 4.

⁸⁶⁴ Memorandum Re: Edison Institute Membership Program to the Board of Trustees (The Edison Institute) from Donald A. Shelley, 30 July 1970, Folder – Minutes May 4, 1967 through May 17, 1972, Box 4 – Edison Institute Material, E.I. #104, 1; and Memorandum to Donald Shelley and Frank Caddy from David B. Lawrence, 16 April 1970, Folder – Membership Programs – 1970, Box 10, Frank Caddy Executive Files, E.I. #57, 1.

⁸⁶⁵ Memorandum to Donald Shelley and Frank Caddy from David B. Lawrence, 16 April 1970, Folder – Membership Programs – 1970, Box 10, Frank Caddy Executive Files, E.I. #57.

earliest years.⁸⁶⁶ The Institute recognized that creating a membership program would not provide sufficient income to meet the requirements of the Tax Reform Act. However, they realized that creating a membership program would at least expand the means through which the public could participate and support the organization, similar to that found in other nonprofits nationally.⁸⁶⁷ As a result, the Institute's challenges during the Tax Reform Act period resulted in the organization becoming more open to public influence and funding.

The Institute's Board of Trustees received a full memorandum in July of 1970, including details and objectives for the proposed membership program. Institute president, Donald Shelley, and his staff recommended an initial program aimed at selling annual memberships to families, individuals, and students, with such benefits as free admission, discounts, and special invitations and publications. They intended this program to appeal to local Detroit-area families.⁸⁶⁸ As explained to William Clay Ford and his brothers, the Edison Institute staff believed that the membership program would help cultivate the general public's interest and support of the Institute's emerging programs. In addition, they hoped that a membership program would provide "public participation" and "goodwill" that they believed would be beneficial due to the ongoing "legislative pressures ... against non-profit institutions."⁸⁶⁹ The proposal recommended a later phase of the membership program to expand the range of giving opportunities at the Institute. As a result, individuals could give larger donations with greater benefits, as well as donate objects for the Institute's collections.⁸⁷⁰ All proceeds from the membership program were directed to research, exhibits, and educational programs, rather than toward the operating and

⁸⁶⁶ *Ibid.*, 1.

⁸⁶⁷ *Ibid.*

⁸⁶⁸ Memorandum Re: Edison Institute Membership Program to the Board of Trustees (The Edison Institute) from Donald A. Shelley, 30 July 1970, Folder – Minutes May 4, 1967 through May 17, 1972, Box 4 – Edison Institute Material, E.I. #104.

⁸⁶⁹ Note Re: Edison Institute Membership Program to Henry Ford II, Benson Ford, and William C. Ford from John Sagan, 22 July 1970, Folder – Minutes May 4, 1967 through May 17, 1972, Box 4 – Edison Institute Material, E.I. #104.

⁸⁷⁰ Memorandum Re: Edison Institute Membership Program to the Board of Trustees (The Edison Institute) from Donald A. Shelley, 30 July 1970, Folder – Minutes May 4, 1967 through May 17, 1972, Box 4 – Edison Institute Material, E.I. #104, 1-2.

facility costs covered by the endowment and Ford Foundation/Ford Motor Company Fund grant.⁸⁷¹ The Institute launched this membership program in 1971 with the hope of recruiting 4,000 members by the end of its first year and 7,000 by the end of its fourth year. The first year actually brought in over 1,500 members and by 1979 the Friends of Greenfield Village and Henry Ford Museum numbered nearly 9,000, including corporate supporters.⁸⁷²

The Institute's Tax Status and Further Challenges

The Edison Institute's tax status problems spanned several years.⁸⁷³ At several points, legal counsel indicated that "an unfavorable ruling was being prepared, and the attitude of IRS representatives had been highly negative throughout its discussions."⁸⁷⁴ Some of the resistance to maintaining the Institute's public foundation status directly related to the composition of the Institute's board. With the Ford family continuing to serve on the Institute board and their family's company providing a significant portion of the Institute's endowment, the Institute served as the quintessential organization that the IRS and Congress sought to fight against through the Tax Reform Act of 1969.⁸⁷⁵

Self-dealing remained one of the most significant areas of concern regarding the Edison Institute's potential change to private foundation status. Legal counsel worried about the

⁸⁷¹ "The Edison Institute: A Report of Progress," March 1973, Folder – Ford Foundation 1973 E.I. Report, Box 1, Donald Shelley Papers, E.I. #216, 9.

⁸⁷² Memorandum Re: Edison Institute Membership Program to the Board of Trustees (The Edison Institute) from Donald A. Shelley, 30 July 1970, Folder – Minutes May 4, 1967 through May 17, 1972, Box 4 – Edison Institute Material, E.I. #104; "The Edison Institute: A Report of Progress," March 1973, Folder – Ford Foundation 1973 E.I. Report, Box 1, Donald Shelley Papers, E.I. #216, 9; and Upward, *A Home for Our Heritage*, 154.

⁸⁷³ Interoffice Letter Re: Edison Institute – Favorable Tax Ruling on Private Foundation Status to Messrs. Wright Tisdale, T. H. Mecke, Jr., E.R. Molina, Will Scott, John Sagan, H.R. Nolte, Jr., S. Kelly, J.E. Sattler, R.A. Taub, G.A. Haviland, E.J. Hillen, C.L. Matthews (Ford Motor Company) from G.S. Allan (Ford Motor Company, Office of the General Counsel), 14 March 1973, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104; and Letter Re: Tax Exemption to "Gentlemen" (Edison Institute) from Chief, Rulings Section (Exempt Organizations Branch, Internal Revenue Service), 13 March 1973, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

⁸⁷⁴ Interoffice Letter Re: Edison Institute – Favorable Tax Ruling on Private Foundation Status to Messrs. Wright Tisdale, T. H. Mecke, Jr., E.R. Molina, Will Scott, John Sagan, H.R. Nolte, Jr., S. Kelly, J.E. Sattler, R.A. Taub, G.A. Haviland, E.J. Hillen, C.L. Matthews from G.S. Allan, 14 March 1973, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 2.

⁸⁷⁵ *Ibid.*, 2.

overlapping boards and activities of the Edison Institute, Ford Foundation, Ford Fund, and Ford Motor Company. The new laws set out tax penalties against both the organizations and individuals who took part in self-dealing, as well as requirements to reverse such transactions if they occurred.⁸⁷⁶ Counsel advised the Ford family members, trustees, and other administrators to work closely with their personal lawyers to examine every transaction that could potentially be categorized as self-dealing by disqualified persons.⁸⁷⁷ The Institute recognized the possibility of having to change its charter, in order to include new restrictions on self-dealing and other requirements for private foundations included in the Tax Reform Act of 1969. In preparation for this possibility, counsel had already developed similar changes to the Ford Motor Company Fund charter in 1971 and was familiar with the necessary amendments that would need to be added to the Institute's charter if it gained private foundation status.⁸⁷⁸

During this time, the Institute also made plans to build a new museum restaurant. Construction was postponed until a finalized tax ruling arrived. In developing plans for the restaurant and orientation facilities, the Institute requested the Ford Motor Company's Industrial Design and Plant Engineering offices to design and plan the proposed facilities. The company's legal counsel advised caution in proceeding with the project. Depending on the Institute's tax status, the company could charge the Institute approximately \$50,000 for these services, or absorb the cost in the form of a donation. In the end, the Company donated \$50,000 for these services to the Institute, in spite of the Institute's eventual public foundation status.⁸⁷⁹

⁸⁷⁶ "Edison Institute – Current Status of Federal Tax Questions," N. B. Hall, 21 November 1972, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 1-2.

⁸⁷⁷ *Ibid.*, 2.

⁸⁷⁸ *Ibid.*, 3.

⁸⁷⁹ See Appendix F for a full listing of Ford Motor Company's in-kind contributions to the Edison Institute. Letter to Mr. T.H. Mecke from H.R. Nolte, Jr. (Office of the General Counsel, Ford Motor Company), Re: Company's Services to Edison Institute, 4 August 1971, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; Contributions Committee (Ford Motor Company), "Donated Services and Materials," 1979?, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; and Statement of Sources and Applications of Funds, 23 April 1953, Folder – Annual Meeting: April 24, 1953, Box 10, Frank Caddy Executive Files, E.I. #57.

Federal self-dealing regulations would have also led the Institute to bar a significant number of Ford Motor Company employees and visitors to its nearby Visitor Reception Center from eating at the restaurant without first purchasing an Institute admission.⁸⁸⁰ Legal counsel realized that the IRS would be particularly prone to viewing the restaurant as self-dealing if the Institute designed a larger restaurant space to specifically accommodate visitors from the Company.⁸⁸¹ The counsel determined that, although a special ruling could be requested in regards to the restaurant, the IRS would most likely rule unfavorably due to “some anti-Institute bias among the IRS rulings people.”⁸⁸²

In 1972, the IRS recommended the Institute and Ford Fund file a “quick ruling” regarding the Institute’s status to take care of concerns about self-dealing, “based on business emergency,” as the safest assurance of the Institute maintaining its public foundation status during the time of its grant payments from the Ford Fund and Ford Foundation.⁸⁸³ The Company and Institute’s counsel also sought special rulings regarding other areas of overlapping activity.⁸⁸⁴ A special ruling covered the Institute’s purchasing of Company-based utilities at cost to extend this practice until mid-1979.⁸⁸⁵ Similarly, a ruling provided for the Institute to maintain ownership over the Seaboard Properties Company and the Dearborn Inn until May 1989, in the case that the Institute received private foundation status, based on its holding over 95 percent of the company’s stock in May 1969.⁸⁸⁶ Based on another special ruling, the Institute also did not have to divest itself of any Ford Motor Company stock that it held in May 1969 until at least May 1979, with a five-year allowance for Ford stock provided from the Ford Foundation’s 1969 grant.

⁸⁸⁰ “Edison Institute – Current Status of Federal Tax Questions,” N. B. Hall, 21 November 1972, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 2.

⁸⁸¹ *Ibid.*, 2-3.

⁸⁸² *Ibid.*, 2.

⁸⁸³ *Ibid.*, 5.

⁸⁸⁴ *Ibid.*, 3.

⁸⁸⁵ *Ibid.*

⁸⁸⁶ *Ibid.*

As a result, the Institute had five to 10 years to determine how to diversify its stock holdings if it received private foundation status.⁸⁸⁷

The Institute's counsel in Detroit and Washington, D.C. continued to fight the IRS's justification for potential private foundation status. The counsel claimed that the language in the new and established law did not state limits on self-dealing, particularly for organizations with the founder's family on the board, as requirements for public foundation status.⁸⁸⁸ In supplementing the original ruling request, the Institute's counsel indicated that language discussing the relationship between the contributor and the organization did not apply to their situation. While the Ford Foundation had made significant gifts to the Institute prior to 1952, it did not contribute between that year and 1969, resulting in a situation in which the Institute was not controlled or created by the Foundation.⁸⁸⁹ The counsel provided a condensed history of the Ford Foundation following Henry Ford's death, detailing how its board and funding priorities significantly diverged from the Ford family's influence and original intent. With Benson and Henry Ford II serving as the only remaining Ford family members on the Foundation's 15-member board, the Institute's counsel indicated that the Foundation had little overlapping influence with the Institute.⁸⁹⁰ The seventeen-year period in which the Foundation did not give to the Institute served as one of the essential points on which the counsel justified that the \$20 million grant served as an exception to the Institute's "normal" support under the updated law.⁸⁹¹ Likewise, the Ford Foundation's grant of Ford Motor Company stock for unrestricted purposes provided further leeway for the Institute in terms of regulations concerning the form of

⁸⁸⁷ Ibid.

⁸⁸⁸ Interoffice Letter Re: Edison Institute – Favorable Tax Ruling on Private Foundation Status to Messrs. Wright Tisdale, T. H. Mecke, Jr., E.R. Molina, Will Scott, John Sagan, H.R. Nolte, Jr., S. Kelly, J.E. Sattler, R.A. Taub, G.A. Haviland, E.J. Hillen, C.L. Matthews from G.S. Allan, 14 March 1973, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 2-3.

⁸⁸⁹ Letter Re: The Edison Institute to Commissioner of Internal Revenue from The Edison Institute, 1972?, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 1-2.

⁸⁹⁰ Ibid., 3-4.

⁸⁹¹ Ibid., 1-2.

contributions made. Consequently, the Institute could continue its exempt and educational purposes without restriction.⁸⁹²

The Institute's legal counsel also had to justify the organization's level of public support and its responsiveness to the public, rather than private parties.⁸⁹³ They indicated that Henry Ford's grandsons and the other five members of the Institute's board of trustees served as "community leaders" who represented the public interest.⁸⁹⁴ The Institute depended on admission fees and related revenue as a significant portion of its public funding sources, based on its 1.5 million annual visitors. The counsel also detailed how the \$20 million would serve to increase the Institute's endowment and provide sustainable income in future years.⁸⁹⁵ In addition, the counsel indicated that the Ford Foundation's \$20 million grant was committed before March 31, 1969, prior to passage of the Tax Reform Act.⁸⁹⁶

Even though the Ford Foundation, Ford Fund, and Edison Institute knew that tax reform would be implemented during the late 1960s, their anticipation of these events accelerated the development of significant grant support for the Institute's long-term sustainability during the limited time before the law's enactment in 1969. Over a year after sending a request to the Internal Revenue Service, the Institute received word of a solution for its Exempt Purposes Test challenges. The IRS ruled that the Ford Foundation's \$20 million served as an "unusual grant," so that it would not be included in the Institute's support calculations. As a result, the Institute could avoid reclassification as a direct result of its attempts to build an endowment.⁸⁹⁷

⁸⁹² *Ibid.*, 2.

⁸⁹³ *Ibid.*, 2-3.

⁸⁹⁴ *Ibid.*, 3.

⁸⁹⁵ *Ibid.*

⁸⁹⁶ Interoffice Letter Re: Edison Institute – Favorable Tax Ruling on Private Foundation Status to Messrs. Wright Tisdale, T. H. Mecke, Jr., E.R. Molina, Will Scott, John Sagan, H.R. Nolte, Jr., S. Kelly, J.E. Sattler, R.A. Taub, G.A. Haviland, E.J. Hillen, C.L. Matthews from G.S. Allan, 14 March 1973, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 2; and Draft Letter Re: The Edison Institute to Commissioner of Internal Revenue from The Edison Institute, 12 January 1972, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 1.

⁸⁹⁷ Letter Re: Tax Exemption to "Gentlemen" from Chief, Rulings Section, 13 March 1973, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

Follow-up to the Ruling

Word of the Edison Institute's ruling spread through the Ford Motor Company in March of 1973. The counsel detailed how the Institute retained its public foundation status by proving that over one-third of its support came from public sources and less than one-third originated from its endowment income.⁸⁹⁸ Of greatest relief to the Ford Motor Company staff, the Institute's public foundation status allowed for the avoidance of dealing with private foundation's restrictions regarding disqualified persons, of which the Ford Motor Company would be considered under the new law. As the legal counsel explained, "Freedom from these restrictions will go far to normalize relations between the Institute and Ford Motor Company and subsidiaries of Ford...."⁸⁹⁹

In the aftermath of the ruling, internal correspondence revealed the potential impact of the Institute's change in tax status on Ford Motor Company activities. The Institute's public foundation status permitted it to share the Company's utilities, fire protection services, and attract Ford Motor Company's visitors and employees to the Institute's new restaurant. In addition, the Company could use the Institute for hosting dinners and events without worrying about potential "self-dealing."⁹⁰⁰ In total, staff approximated that the Institute's public foundation status would save it over \$100,000 annually in tax on its endowment income, as well as prevent further restrictions due to related governmental regulations on its activities.⁹⁰¹

Reporting on the 1969 Grant

The Edison Institute sent a complete report to the Ford Foundation, Ford Fund, and relevant Ford family members in the spring of 1973, in part celebrating its public foundation

⁸⁹⁸ Interoffice Letter Re: Edison Institute – Favorable Tax Ruling on Private Foundation Status to Messrs. Wright Tisdale, T. H. Mecke, Jr., E.R. Molina, Will Scott, John Sagan, H.R. Nolte, Jr., S. Kelly, J.E. Sattler, R.A. Taub, G.A. Haviland, E.J. Hillen, C.L. Matthews from G.S. Allan, 14 March 1973, Folder – Tax Legislation, Box 1 – Books, Pamphlets, Memos, E.I. #104, 1.

⁸⁹⁹ Ibid., 2.

⁹⁰⁰ Ibid.

⁹⁰¹ Ibid.

status.⁹⁰² While each of the \$20 million grants presented unique challenges to the respective foundations, the Institute combined these funds into a single endowment. As a result, no individual foundation could take credit for certain programs or projects implemented under the Institute's master plan.⁹⁰³ By June 1974, the Institute finally received the last of its grant payments from the Foundation.⁹⁰⁴

In acknowledging the future impact of these grants, the Institute also indicated how its future survival would depend on increasing its means of public support. This strategy utilized earned revenue and admissions, rather than pure fundraising, to provide sufficient income.⁹⁰⁵ The Institute reported how its attendance reached record numbers of over 1.65 million in 1972.⁹⁰⁶ This figure far outpaced other outdoor American museums and historical sites. For 1972, Colonial Williamsburg boasted only 57.7% of the Institute's attendance numbers, Old Sturbridge Village reached 41.2%, and Mystic Seaport brought 30.5% of the Institute's visitor attendance at over just 490,000.⁹⁰⁷ The Edison Institute's significant attendance figures promoted a strategy that relied upon earned revenue as a viable source of much-needed public support.

Legal Challenges following the Tax Reform Act of 1969

Following the Institute's tax status ruling, the organization continued to encounter legal challenges related to its relationship with the Ford family's interests. In 1974, the Ford Motor Company made an additional donation of corporate records to the Ford Archives collection

⁹⁰² Note to Frank Caddy from George A. Haviland (Product Planning and Design Staff, Ford Motor Company), 11 April 1973, Folder – Ford Foundation 1973 E.I. Report, Box 1, Donald Shelley Papers, E.I. #216; and “The Edison Institute: A Report of Progress,” March 1973, Folder – Ford Foundation 1973 E.I. Report, Box 1, Donald Shelley Papers, E.I. #216, 4.

⁹⁰³ *Ibid.*, 1-2.

⁹⁰⁴ Letter Re: Grant No. 690-0129 to Howard R. Dressner (Secretary, Ford Foundation, New York) from Donald A. Shelley (Edison Institute), 10 June 1974, Folder – Ford Foundation 1973 E.I. Report, Box 1, Donald Shelley Papers, E.I. #216.

⁹⁰⁵ “The Edison Institute: A Report of Progress,” March 1973, Folder – Ford Foundation 1973 E.I. Report, Box 1, Donald Shelley Papers, E.I. #216, 2.

⁹⁰⁶ See Appendix K for a more complete listing of institutions' attendance figures and comparison. Exhibit I: “Museum Attendance Comparisons, 1971-1972,” in “The Edison Institute: A Report of Progress,” March 1973, Folder – Ford Foundation Binder, Exhibit I, Box 1, Donald Shelley Papers, E.I. #216.

⁹⁰⁷ See Appendix K for a more complete listing of institutions' attendance figures and comparison. *Ibid.*

housed at the Institute. As part of the arrangement, the Ford Motor Company hoped to develop additional resources in partnership with the Institute to catalogue and reference industrial records still retained by the company. However, the Company's legal counsel determined that this component of the project would risk the Edison Institute's nonprofit status. They realized that the cataloguing service would function for private, rather than public, benefit.⁹⁰⁸ Although the arrangement with the Ford Motor Company would have been a minor component of the Institute's work, counsel preferred to "safeguard the Institute's exemption."⁹⁰⁹ The counsel stated that the law required that the Institute be used for public benefit rather than operating "for the benefit of private interests such as designated individuals, the creator or his family, shareholders of the organization, or persons controlled, directly or indirectly by such private interests."⁹¹⁰

The Ford family and their interests in the Ford Motor Company and the Edison Institute presented a challenging situation for the Institute's nonprofit exemption. The family's decisions and the influence of their company and their philanthropic foundations potentially functioned as private interests that could harm the Institute's public purpose. Additional challenges occurred with the IRS in the form of questions of "unrelated business taxable income," associated with the Institute's gift shop and special events.⁹¹¹ Although tax audits during the Tax Reform debates did not raise this issue, the Institute's staff indicated that other museums nationally were running into these same challenges with IRS agents. With no guidance available in relevant tax code, the Institute's legal team guided the organization through the necessary steps to navigate similar challenges.⁹¹²

⁹⁰⁸ Letter to Frank Caddy (Vice President, Administration and Treasurer, The Edison Institute) from Hill, Lewis, Adams, Goodrich & Tait (Detroit, MI), Re: "Ford Archives," 10 January 1974, Folder – Archives: Financial Papers, Box 1, Frank Caddy Executive Files, E.I. #57.

⁹⁰⁹ Ibid., 3.

⁹¹⁰ Ibid., 2.

⁹¹¹ Memorandum Re: I.R.S. Audit for 1975 and 1976 to the Board of Trustees (The Edison Institute) from Frank Caddy, 10 November 1977, Folder – Minutes 13 July 1973 through 10 November 1977, Box 4 – Edison Institute Material, E.I. #104.

⁹¹² Ibid.

Conclusion

Within the evolving legal and philanthropic environment of the 1960s and 1970s, the Edison Institute faced challenges to carrying out Henry Ford's legacy while establishing a sustainable model for its leadership and philanthropic support. The Edison Institute diversified its funding and leadership strategy as part of its reaction to the Tax Reform Act of 1969. With increased scrutiny of foundations and nonprofits nationally, the Edison Institute and the Ford-originated foundations became entangled in national debate over the tax classification of philanthropic organizations. The Edison Institute's administration and legal counsel sought a strategy to become self-sustaining, particularly through the building of an endowment based on grants from the Ford Foundation and Ford Motor Company. However, the language and hearings of the Tax Reform Act of 1969 placed the Institute, Ford Foundation, and the Ford Motor Company at the center of a national critique of foundations' self-dealing and claims of tax evasion. In order to best ensure the Institute's public foundation status, its administration and counsel developed a strategy to increase its public funding and support, while diversifying its leadership and reducing its reliance on the Ford family, their company, and other philanthropic organizations. After the Institute's public foundation ruling, it continued to struggle through additional years of legal and funding challenges. However, it eventually created an increasingly professionalized administration and funding structure comparable to other museums nationally. While the Institute never relied upon strong public fundraising and community-based leadership, the organization continued to diversify its strategy beyond the Ford family and their institutions to become increasingly self-sustainable.

CHAPTER SIX: SUSTAINING THE HENRY FORD

Introduction

Over fifty years after Henry Ford's founding of the Edison Institute, the organization continued to seek a means to survive and adapt. Building on Henry Ford's legacy and working within the confines of a more stringent legal environment, the Institute began to adopt modern philanthropic practices and staffing structures. By the 1980s, the Edison Institute created an increasingly professionalized administration and funding strategy comparable to other museums nationally. While the Institute never relied upon strong public fundraising and community-based leadership, the organization continued to diversify its strategy beyond the Ford family and their institutions to become increasingly self-sustainable.

Changes at the Edison Institute

The Institute intended to use nearly half of the grant-based funding from the Ford Motor Company Fund and Ford Foundation to expand its operations and better serve its visitors through improvement of its programs and facilities. While working through the legal challenges associated with the Tax Reform Act of 1969, the Institute and its trustees also developed a master plan to make substantial changes that would be funded by its grants from the Ford Motor Company Fund and the Ford Foundation.⁹¹³ As part of these efforts, the Institute built into its programs the means to develop public support and become self-sustaining. In the midst of an ever-changing political and economic environment, the Institute acted upon the realization that its previous methods of support, strategizing, and program development would no longer work. Henry Ford's old system of limitless support and his "try anything" approach were not sufficient

⁹¹³ Revised Development Program, 8 April 1971, Internal Reports, Box 1, Accession #112, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029, 1-4.

under new financial constraints and increased oversight. Emerging tax regulations, a changing Detroit, and declining growth in attendance presented challenges that further necessitated the need for a new approach to the Institute's efforts.⁹¹⁴

Within the new master plan, the Institute's staff and trustees implemented "reality testing," feasibility studies, and incremental project timelines to ensure that proposed projects would benefit the public good and offer sufficient revenue to offset the staffing, materials, and other resources required.⁹¹⁵ In a similar vein, the Institute planned to cut programs that did not serve the public and offered little financial or other benefit to the institution.⁹¹⁶ The staff also developed a plan to increase admission fees, improve visitor amenities, and temper their capital plans in accordance with projected visitation.⁹¹⁷

The Institute's financial projections for the 1970s indicated an increased reliance on endowment income to supply its needs. However, the Institute's costs proved lower than anticipated, due to its "public foundation" ruling and avoidance of a 4 percent investment income tax that the staff anticipated when compiling these documents.⁹¹⁸ The Institute predicted a peak endowment of \$47.6 million by 1974, before encroachments of \$16.3 million for capital projects stabilized the fund total from its height brought about by the 1969 Ford Foundation and Ford Fund grants.⁹¹⁹ While the Institute's staff expressed reluctance at making changes, they realized that "our continued effectiveness as an institution the public is willing to support depends on the realistic use of funds available."⁹²⁰ Under the pressures of its new legal and funding environment, the Institute proceeded toward more professionalized management, similar to that found in comparable museums across the country.

⁹¹⁴ Ibid., 1-2.

⁹¹⁵ Ibid., 2, 4; and The Edison Institute Annual Report 1978, Greenfield Village and Henry Ford Museum, Folder - Annual Report 1978, Box 2: 1961-1964 and 1977-1979, Accession #110, Edison Institute Collection, Benson Ford Research Center, 2.

⁹¹⁶ Revised Development Program, 8 April 1971, Internal Reports, Box 1, E.I. #112, 2, 4.

⁹¹⁷ Ibid., 5-6.

⁹¹⁸ Ibid., 7.

⁹¹⁹ Ibid., 10-11.

⁹²⁰ Ibid., 2.

After the 1969 grant ended, the Institute's relationship with the Ford Foundation nearly disappeared. By 1974, the Ford Foundation completely divested itself of its Ford Motor Company stock and Henry Ford II left the Foundation board in 1976.⁹²¹ In correspondence from 1977, the Foundation indicated that the Institute could submit a grant request through its "special fund for Michigan," which served as a yearly allocation of just under \$1 million for Michigan-based nonprofits. This funding served as part of the Foundation's standard grant programs, requiring all submissions to be restricted to its normal funding areas and limited to \$100,000 in amount.⁹²² Between the Foundation's founding in 1936 and the end of its 1969 grant, the Edison Institute received a total of \$39 million from the Ford Foundation.⁹²³ After the 1969 grant ended in the early 1970s, the Foundation did not give the Institute another grant until 2007.⁹²⁴

Generating Leadership and a Strategy for the Future

By 1976, changes began to occur in the Edison Institute's administration and leadership. Donald Shelley retired after a long career as the Institute's president, with Frank Caddy taking on this position until 1980.⁹²⁵ Caddy's tenure included the Institute's 50th anniversary, as well as significant external challenges due to rising costs of maintaining and operating the organization in the midst of declining attendance and revenues.⁹²⁶ During this time, the Institute's staff grew to

⁹²¹ Ford Foundation, *A Selected Chronology of the Ford Foundation* (New York: Ford Foundation Office of Reports, 1980), 13-14.

⁹²² Letter to Bob Dawson (Vice President, Public Affairs, Greenfield Village and Henry Ford Museum) from Willard J. Hertz (Assistant Secretary, Ford Foundation, New York), 29 March 1977, Folder – Ford Foundation, Box 4, Frank Caddy Executive Files, Accession #57, Edison Institute Collection, Benson Ford Research Center.

⁹²³ Richard Magat, *The Ford Foundation at Work: Philanthropic Choices, Methods, and Styles* (New York: Plenum Press, 1979), 191. See also Appendices D and I for detail of the Ford Foundation's gifts to the Edison Institute.

⁹²⁴ Idelle Nissila (Research Associate, Ford Foundation), e-mail message to author, 9 June 2011; Lucas Buresch (Assistant Archivist, Rockefeller Archive Center), e-mail message to author, 16 April 2012; and Ian Wilhelm, "Michigan Asks Ford Foundation to Show It Is Following Donors Intentions," *Chronicle on Philanthropy*, 20 April 2006.

⁹²⁵ Geoffrey C. Upward, ed., *A Home for Our Heritage: The Building and Growth of Greenfield Village and Henry Ford Museum, 1929-1979* (Dearborn, MI: The Henry Ford Museum Press, 1979), 154; and Jeanine Head Miller and others, *Telling America's Story: A History of the Henry Ford*, ed. Judith E. Endelman and Wendy Metros (Virginia Beach, VA: Donning Company Publishers, 2010), 133.

⁹²⁶ Annual Report 1979, Greenfield Village and Henry Ford Museum, Folder - Annual Report 1979, Box 2: 1961-1964 and 1977-1979, E.I. #110, 14.

accommodate the organization's educational and programmatic emphasis, surpassing the projections set out in the Institute's master plan. By 1979, the number of full time staff reached 343, increasing from 277 employees in 1971.⁹²⁷ Frank Caddy's retirement in 1980 marked the end of the generation of employees hired by Henry Ford himself.⁹²⁸

During the 1970s, the Ford family remained a significant presence on the Edison Institute board. As chairman, William Clay Ford's perspective held sway over the institution's actions. In a letter from his division at Ford Motor Company, William Clay Ford's associate wrote to the Institute's administration recommending changes to the design of its landscaping and entryway.⁹²⁹ By 1979, the Institute's board included William Clay Ford (chairman), Edith McNaughton Ford, Henry Ford II, Lynn Ford Alandt, Sheila Firestone Ford, Walter Buhl Ford II, as well as staff-trustees Frank Caddy, Robert Wheeler, J. Robert Dawson, George G. Johnson, and David Glick.⁹³⁰ Lynn Ford Alandt and Sheila Firestone Ford (Hamp) became the fourth generation of Ford family members to serve on the Institute's board.⁹³¹ William Clay Ford eventually retired as chairman, with his daughter Sheila assuming the Institute's chairmanship in 1989.⁹³² Even after surviving the upheaval of the Tax Reform Act of 1969, the Edison Institute continued to be influenced by the leadership of multiple generations of the Ford family, although to a lesser extent than the earlier years under Henry Ford.

On May 25, 1976, the Edison Institute received notice of its obtaining accreditation by the American Association of Museums (AAM), after meeting rigorous standards for its

⁹²⁷ "Number of Full-Time Personnel," Report Re: Revised Development Program to Board of Trustees (Edison Institute), Folder - Revised Development Program, 8 April 1971, Internal Reports, Box 1, E.I. #112; and Upward, *A Home for Our Heritage*, 156.

⁹²⁸ Miller, *Telling America's Story*, 133.

⁹²⁹ Letter to Donald A. Shelley (Edison Institute) from George Haviland (Design Center, Ford Motor Company), 6 November 1974, Box 1, Donald Shelley - Administrative Files (Unprocessed), Accession #2008.27. Benson Ford Research Center.

⁹³⁰ "Trustees" in Annual Report 1979, Greenfield Village and Henry Ford Museum, Folder - Annual Report 1979, Box 2: 1961-1964 and 1977-1979, E.I. #110.

⁹³¹ Upward, *A Home for Our Heritage*, 156.

⁹³² Miller, *Telling America's Story*, 133.

management and operations.⁹³³ As part of this process, external museum professionals and Institute administrators offered insight into the Edison Institute’s challenges and plans for the future. In the AAM review, the accreditation committee members indicated that they found the board composition to be “unorthodox” in structure, due to its inclusion of the Institute’s president, vice president of administration and treasurer, and vice president of research and interpretation as board members.⁹³⁴ However, the AAM representatives reported that the other board members, including the Ford family members, did not interfere with the daily management and operations of the organization in spite of the overlapping staff-trustees.⁹³⁵ During the review process, Institute administration also indicated that their endowment-based income fluctuated heavily due to the endowment’s reliance on automotive industry stocks. In order to stabilize its funding, the Institute expressed its intention to diversify its stockholdings and revenue streams in the near future, as well as broaden its visiting audience.⁹³⁶ Through this process, the Institute gained national recognition for its progress, while receiving feedback on ways in which to improve its future strategy and operations.

Expanding Public Support Through Fundraising

After receiving its \$40-million grant from the Ford Foundation and Ford Motor Company Fund, the Edison Institute sought to generate increased levels of public support. The strength of the Edison Institute’s reputation and programs helped to foster donor relationships with the organization. The Institute’s Midwest Antiques Forum brought together collectors and experts from around the country. One of these attendees, Mrs. C. McGregory Wells, travelled from

⁹³³ Letter to Donald A. Shelley (President, Greenfield Village and Henry Ford Museum) from Alexander J. Wall (Chairman, Accreditation Commission, American Association of Museums), 25 May 1976, Folder – American Association of Museums Accreditation, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center.

⁹³⁴ “Report of the Accreditation Visiting Committee On-Site Evaluation of the Greenfield Village and Henry Ford Museum (Dearborn, Michigan), March 30-31, 1976,” Folder – American Association of Museums Accreditation, Box 1, Donald Shelley Papers, E.I. #216, 2.

⁹³⁵ *Ibid.*

⁹³⁶ *Ibid.*, 3; and The Edison Institute, Annual Report, 1977, “Greenfield Village and Henry Ford Museum,” Folder - Annual Report 1977, Box 2: 1961-1964 and 1977-1979, E.I. #110.

Union, Connecticut to Dearborn for these annual forums starting in 1965. By the beginning of 1972, she donated \$3,000 to become the first life member of the Institute. Although her husband's family started Old Sturbridge Village, Mrs. Wells chose to give her 18th-century saltbox house, which was originally built in Andover, Connecticut, to the Edison Institute. The house and its contents were moved to Greenfield Village, opening in the summer of 1978.⁹³⁷

The Institute's staff began to generate increasingly professionalized fundraising approaches. In June 1975, the Institute drafted a solicitation letter intended to recruit corporate members to support the organization. This document served as one of the earliest, recognizable fundraising pieces developed by the Institute for use in developing publically-based support.⁹³⁸ In 1977, the Institute created its first development office, focused on "increasing individual, family and corporate memberships and major gifts."⁹³⁹

As part of its overall fundraising strategy, the Institute's administration discussed the need for a part-time fundraising consultant, who could help the Institute obtain grants from corporations and private foundations. They preferred to avoid publically-funded grantmakers that required the Institute to match funds or provide extensive reports.⁹⁴⁰ By 1977, the Institute obtained 72.2% of its funding from public support.⁹⁴¹ In the spring of 1979, the Institute hired R. William (Bill) Goodwin as a full-time Assistant to the President for Development. In this position, Goodwin developed the Institute's first professionalized fundraising program, establishing an initial strategy to further expand upon the organization's tradition of philanthropic

⁹³⁷ Letter to W. C. "Bill" Ford from Donald A. Shelley, 21 January 1972, Folder – Wells, Box 2, Donald Shelley - Administrative Files (Unprocessed), Acc. #2008.27; and Upward, *A Home for Our Heritage*, 170.

⁹³⁸ Corporate Solicitation Draft to Mr. John Doe (President, XYZ Corporation) from Donald A. Shelley, June 1975, Box 2, Donald Shelley - Administrative Files (Unprocessed), Acc. #2008.27.

⁹³⁹ The Edison Institute, Annual Report, 1977, "Greenfield Village and Henry Ford Museum," Folder - Annual Report 1977, Box 2: 1961-1964 and 1977-1979, E.I. #110, 2.

⁹⁴⁰ Memorandum Re: Status of Request for Grants to the Board of Trustees (The Edison Institute) from Frank Caddy, 4 November 1976, Folder – Minutes July 13, 1973 through November 10, 1977, Box 4 – Edison Institute Material, Accession #104 – William Clay Ford Office Papers, Edison Institute Collection, Benson Ford Research Center.

⁹⁴¹ "The Edison Institute Dollar" and Pie Chart in The Edison Institute, Annual Report, 1977, "Greenfield Village and Henry Ford Museum," Folder - Annual Report 1977, Box 2: 1961-1964 and 1977-1979, E.I. #110.

support.⁹⁴² The Edison Institute also gradually expanded its membership program and earned revenue, in order to become competitive for “public patronage” against other nonprofits in its field and community.⁹⁴³

By the early 1980s, the Institute recognized that even its preliminary ventures into professionalized fundraising were insufficient.⁹⁴⁴ Facing a poor economic climate in the Midwest and a significantly declining endowment, the Institute planned and made further changes.⁹⁴⁵ In addition to cutting costs and implementing controls on its finances, the Institute diversified its endowment far beyond its Ford Motor Company stock, nationalized its membership program, and expanded its fundraising efforts to include an annual campaign.⁹⁴⁶ The Institute set out to continue Henry Ford’s legacy, while becoming an increasingly public institution.⁹⁴⁷

In its annual reports, the Institute’s staff clearly defined the organization’s relationship with the Fords: “It is not part of nor is it supported by the Ford Motor Company or the Ford Foundation.”⁹⁴⁸ Instead, public support and earned revenue became the means for the Institute to pursue future growth. Through the development of public support and fundraising initiatives, the Institute continued to seek methods to become self-sustaining in an ever-uncertain economy and environment.⁹⁴⁹

⁹⁴² Annual Report 1979, Greenfield Village and Henry Ford Museum, Folder - Annual Report 1979, Box 2: 1961-1964 and 1977-1979, E.I. #110, 16-17.

⁹⁴³ “The Edison Institute: A Report of Progress,” March 1973, Folder – Ford Foundation 1973 E.I. Report, Box 1, Donald Shelley Papers, E.I. #216, 13; Letter to Don Adams (Henry Ford Museum) from Jack C. Yager (Vice President, Alan Newman Research), 17 August 1983, Topical Files, 1983-Membership Focus Group Report, Box 9, Harold Skramstad Papers, Office of the President (1981-1996), Accession #254, Edison Institute Collection, Benson Ford Research Center.

⁹⁴⁴ The Edison Institute, Report for 1981 and 1982, Henry Ford Museum and Greenfield Village, Folder – Annual Report -1981, Box 2: 1961-1964 and 1977-1979, E.I. #110, 1-2.

⁹⁴⁵ Ibid; and Annual Report of The Edison Institute: Henry Ford Museum and Greenfield Village, 1980, Box 3: Annual Report – 1980 to ---, E.I. #110, 1.

⁹⁴⁶ The Edison Institute, Report for 1981 and 1982, Henry Ford Museum and Greenfield Village, Folder – Annual Report -1981, Box 2: 1961-1964 and 1977-1979, E.I. #110, 1-2.

⁹⁴⁷ Ibid.

⁹⁴⁸ Ibid., 24.

⁹⁴⁹ Ibid., 1-2.

A New Generation of Professionalized Leadership

In 1980, Sheila Ford and the board of trustees initiated the Institute's first national search for its new president, following the retirement of Frank Caddy.⁹⁵⁰ Through their efforts, the search committee discovered Dr. Harold Skramstad, who came to the Edison Institute as a published scholar and nationally-recognized museum practitioner.⁹⁵¹ He brought to the Institute new developments in the study of social history, with its focus on the history of regular people and everyday objects, as well as a new emphasis on the importance of education as the core of an institution's mission and work.⁹⁵² As a result, the Institute began its focus on interpreting artifacts as part of America's technological history and the Industrial Revolution, rather than treating them as individual items in its collection.⁹⁵³ This interpretative strategy combined the strengths of Henry Ford's collection and vision for the Edison Institute with the professionalized approaches of a new generation of historians and museum practitioners, who sought to serve public audiences through educational experiences in both the Museum and Greenfield Village.

Prior to his work at the Institute, Skramstad published his views on the importance of material culture as tools to study both "cultural history and the history of American technology."⁹⁵⁴ Additionally, Skramstad brought a vast resume of experience and education to the Institute including a Ph.D. from George Washington University, teaching American Studies at George Washington University, several leadership positions at the Smithsonian Institution, and the directorship of the Chicago Historical Society.⁹⁵⁵ Even within his scholarship, Skramstad discussed the importance of professionalized approaches to the collection, documentation, and

⁹⁵⁰ Henry Ford Museum and Greenfield Village: 1989 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 15; Upward, *A Home for Our Heritage*, 154; and Miller, *Telling America's Story*, 133.

⁹⁵¹ Harold Skramstad, "American Things: A Neglected Material Culture," *American Studies: Topics and Sources*, ed. Robert H. Walker (Westport, Connecticut: Greenwood Press, 1976), 185-190.

⁹⁵² Upward, *A Home for Our Heritage*, 5; and Miller, *Telling America's Story*, 133.

⁹⁵³ Rick Sylvain, "He's banking on history to save museum," *Detroit Free Press*, 16 May 1982.

⁹⁵⁴ Skramstad, "American Things," *American Studies*, 187.

⁹⁵⁵ *Ibid.*, 186; Miller, *Telling America's Story*, 133; James S. Wamsley, "Harold K. Skramstad, Jr.," Topical File, 1982-Skramstad Presidency (Article), Box 6, E.I. #254, 3.

interpretation of museum artifacts in order to ensure their accessibility for future study.⁹⁵⁶

Throughout his tenure, Skramstad implemented his views on American history and technology, helping to shape the further professionalization and strategy development of the Institute as an “educational force.”⁹⁵⁷

Overcoming Financial Challenges

During the first two years of Skramstad’s administration, the Edison Institute was in poor financial condition. Within Skramstad’s first year as president, board chairman William Clay Ford wrote, “We obviously cannot continue to spend more than we take in. Consequently, we must aggressively build a broader and stronger financial base so the quality of our efforts is not diminished.”⁹⁵⁸ According to a headlining article in the *Detroit Free Press*, the Institute faced declining attendance, significant financial losses, and low employee morale following several years of cost cutting, pay freezes, and uncertain job security.⁹⁵⁹ Skramstad specifically blamed the Institute’s challenges on overall economic conditions and a fall in its endowment income, as a direct consequence of its reliance on Ford Motor Company stock, which significantly declined in value during this period.⁹⁶⁰ By the early 1980s, the Institute’s endowment reached approximately \$40 million, resulting from the Ford’s earlier gifts and grants.⁹⁶¹ Consequently, the Institute’s

⁹⁵⁶ Skramstad, “American Things,” *American Studies*, 189-191.

⁹⁵⁷ Upward, *A Home for Our Heritage*, 74, 76, 78; and Annual Report of The Edison Institute: Henry Ford Museum and Greenfield Village, 1980, Box 3: Annual Report – 1980 to ---, E.I. #110, 1.

⁹⁵⁸ Annual Report of The Edison Institute: Henry Ford Museum and Greenfield Village, 1980, Box 3: Annual Report – 1980 to ---, E.I. #110, 1.

⁹⁵⁹ Rick Sylvain, “He’s banking on history to save museum,” *Detroit Free Press*, 16 May 1982; and The Edison Institute, Report for 1981 and 1982, Henry Ford Museum and Greenfield Village, Folder – Annual Report -1981, Box 2: 1961-1964 and 1977-1979, E.I. #110, 1.

⁹⁶⁰ Rick Sylvain, “He’s banking on history to save museum,” *Detroit Free Press*, 16 May 1982; James S. Wamsley, “Harold K. Skramstad, Jr.,” Topical File, 1982-Skramstad Presidency (Article), Box 6, E.I. #254, 3; and Letter to Kathleen Boyer from Harold K. Skramstad, Jr., 21 October 1983, Correspondence, 1983-B, Box 7, E.I. #254.

⁹⁶¹ Bruce Alpert, “Historic Revival: Greenfield Village Pulls Itself Out of Slump,” *Detroit News*, 18 October 1983.

administration began to further diversify its endowment holdings, decreasing its Ford Motor Company stock holdings from 70 percent to 7 percent of the Institute's endowment.⁹⁶²

As a result of the Institute's internal and external challenges, Skramstad, board members, and staff turned to evaluation and strategy to reconsider "each program and activity against our basic educational and collecting goals."⁹⁶³ Through programmatic evaluation and an expanded development program, Skramstad hoped to offset substantial annual losses.⁹⁶⁴ The Institute sought to become a distinctly public organization, less dependent on the Ford family and their enterprises for funding, including through its own endowment.⁹⁶⁵

Even in 1982, years after Henry Ford's death, Skramstad clearly stated to the *Detroit Free Press*, "We still suffer from the old illusion that we are the well-funded child of the Ford Motor Co[mpany] or the Ford Foundation or the Ford family.... In fact, we are a totally independent, non-profit educational institution. We are not here to make a profit. We're hopefully here to balance our books."⁹⁶⁶ Skramstad described how the concept of the Institute functioning as an independent organization presented significantly different challenges than the Smithsonian Institution's government funding. With the public's confusion in believing the Institute to be well-endowed by the Ford enterprises, Skramstad indicated that the organization's deficits presented a major problem with few easy solutions.⁹⁶⁷

Skramstad also encountered challenges with the Institute's press coverage, as he found that the words used to describe the Institute were more in line with corporations, rather than those

⁹⁶² Ibid; Rick Sylvain, "He's banking on history to save museum," *Detroit Free Press*, 16 May 1982; and Miller, *Telling America's Story*, 133-134.

⁹⁶³ Annual Report of The Edison Institute: Henry Ford Museum and Greenfield Village, 1980, Box 3: Annual Report – 1980 to ---, E.I. #110, 2.

⁹⁶⁴ Ibid.

⁹⁶⁵ Ibid., 1.

⁹⁶⁶ Rick Sylvain, "He's banking on history to save museum," *Detroit Free Press*, 16 May 1982.

⁹⁶⁷ James S. Wamsley, "Harold K. Skramstad, Jr.," Topical File, 1982-Skramstad Presidency (Article), Box 6, E.I. #254, 9.

used in reference to other Detroit-area nonprofits and higher education institutions.⁹⁶⁸ Each year's annual report reached members, donors, and partners, while describing the nonprofit status of the Institute and its need for public support through admission fees, visitor services, donations, and its endowment. After years of dependence on Ford-related foundations, Skramstad's staff began its push for the public's contributions.⁹⁶⁹

As part of the Institute's efforts to improve its financial state, Skramstad and his staff significantly increased admission prices for both the museum and village starting in 1981, eventually doubling the fee.⁹⁷⁰ The change particularly impacted local visitors, in comparison to the calculated regional and national market that makes up 75 percent of the Institute's visitors. In spite of the Institute's market research accounting for admission prices at comparable museum institutions, many individuals complained about the fee increase.⁹⁷¹ In one letter, a visitor wrote, "I would like to complain LOUDLY [emphasis in original] about the increase to get into Greenfield Village and Henry Ford Museum. ...I don't know who picked you to be President of the Institute, but I would like a recount of the votes or even better an IMPEACHMENT! [emphasis in original] You may make more money right now when most everyone is an out-of-towner, but during the winter months when it is basically the locals that come don't be surprised when the place will be empty. ...At the prices you are charging, the only ones that will be

⁹⁶⁸ Letter to Dave Lawrence (Executive Editor, Detroit Free Press) from Harold Skramstad, 1 June 1982, Correspondence, 1982-D, Box 3, E.I. #254; and Letter to Harold Skramstad from Dave Lawrence (Executive Editor, Detroit Free Press), 4 June 1982, Correspondence, 1982-D, Box 3, E.I. #254.

⁹⁶⁹ Annual Report 1979, Greenfield Village and Henry Ford Museum, Folder - Annual Report 1979, Box 2: 1961-1964 and 1977-1979, E.I. #110, 14; Annual Report of The Edison Institute: Henry Ford Museum and Greenfield Village, 1980, Box 3: Annual Report - 1980 to ---, E.I. #110, 2; The Edison Institute, Report for 1981 and 1982, Henry Ford Museum and Greenfield Village, Folder - Annual Report -1981, Box 2: 1961-1964 and 1977-1979, E.I. #110, 24; and The Edison Institute Annual Report for 1983: Henry Ford Museum and Greenfield Village, Box 3: Annual Report - 1980 to ---, E.I. #110, 1.

⁹⁷⁰ Bruce Alpert, "Historic Revival: Greenfield Village Pulls Itself Out of Slump," *Detroit News*, 18 October 1983; Rick Sylvain, "He's banking on history to save museum," *Detroit Free Press*, 16 May 1982; and Miller, *Telling America's Story*, 133.

⁹⁷¹ Rick Sylvain, "He's banking on history to save museum," *Detroit Free Press*, 16 May 1982.; Bruce Alpert, "Historic Revival: Greenfield Village Pulls Itself Out of Slump," *Detroit News*, 18 October 1983; Postcard to Greenfield Village Director from Mr. and Mrs. Bill Alford (Flat Rock, MI), Postmarked 22 June 1981, Correspondence, 1981 - A, Box 1, E.I. #254; and Letter to Harold K. Skramstad, Jr. from Kathleen Boyer (Livonia, MI), 18 October 1983, Correspondence, 1983-B, Box 7, E.I. #254.

enjoying it is you and your staff. You better go out and buy yourself a deck of cards, it's going to be a long, cold, lonely winter."⁹⁷²

Confusing press coverage also presented challenges to the public's understanding of the Institute's endowment, revenue, holdings of Ford Motor Company stock, and rising admission fees.⁹⁷³ In one letter, a visitor with an MBA wrote to Skramstad, "I can remember when the Institute made so much money the Bureau of Internal Revenue questioned their non-profit status."⁹⁷⁴ Regardless of the Edison Institute's long-sought public charity status throughout the 1960s and 1970s, few visitors understood its role as a nonprofit organization. Additionally, visitors compared the cost of visiting the Institute to movie theaters, theme parks, and other sources of family entertainment. However, Skramstad continued his crusade to educate the public audience about the organization's role as a nonprofit and educational institution.⁹⁷⁵

Harold Skramstad personally responded to visitors' inquiries regarding the Institute's increased admission fees, emphasizing the importance of diversified revenue streams.⁹⁷⁶ He also indicated how the Institute's fees were significantly lower than comparable museums nationally.⁹⁷⁷ With the rising costs of operation, the Institute approximated that it spent \$10.25 for each visitor, even if individuals paid the increased price of \$8 per adult.⁹⁷⁸ The previous fee

⁹⁷² Letter to Harold Skramstad from Mary A. Below, 28 May 1981, Correspondence, 1981 - B, Box 1, E.I. #254.

⁹⁷³ Letter to Harold K. Skramstad, Jr. from Kathleen Boyer (Livonia, MI), 18 October 1983, Correspondence, 1983-B, Box 7, E.I. #254; and Postcard to Dr. Skramstad from Robert Armstrong (Birmingham, MI), 10 July 1982, Correspondence, 1982-A, Box 3, E.I. #254..

⁹⁷⁴ Postcard to Dr. Skramstad from Robert Armstrong, 10 July 1982, Correspondence, 1982-A, Box 3, E.I. #254.

⁹⁷⁵ Letter to Kathleen Boyer from Harold K. Skramstad, Jr., 21 October 1983, Correspondence, 1983-B, Box 7, E.I. #254.

⁹⁷⁶ Letter to Mary A. Below from Harold Skramstad, 2 June 1981, Correspondence, 1981 - B, Box 1, E.I. #254; Letter to Mr. and Mrs. Bill Alford from Harold K. Skramstad, Jr., 24 June 1981, Correspondence, 1981 - A, Box 1, E.I. #254, 1; and Letter to Kathleen Boyer from Harold K. Skramstad, Jr., 21 October 1983, Correspondence, 1983-B, Box 7, E.I. #254.

⁹⁷⁷ Letter to Mr. and Mrs. Bill Alford from Harold K. Skramstad, Jr., 24 June 1981, Correspondence, 1981 - A, Box 1, E.I. #254, 1.

⁹⁷⁸ *Ibid.*, 1; Postcard to Greenfield Village Director from Mr. and Mrs. Bill Alford, Postmarked 22 June 1981, Correspondence, 1981 - A, Box 1, E.I. #254; and Letter to Mary A. Below from Harold Skramstad, 2 June 1981, Correspondence, 1981 - B, Box 1, E.I. #254.

resulted in the organization subsidizing over 50 percent of a visitor's ticket price.⁹⁷⁹ Additionally, Skramstad and his staff were forced to end many of the free admission programs that had been in place under former administrations.⁹⁸⁰ Without governmental support, the Institute required private contributions and admission fee revenue to cover its costs.⁹⁸¹ For those community members who wanted to visit the Institute, Skramstad strongly urged them to buy a "Friends" membership to receive the best admission fee price over the course of a year.⁹⁸² As a result of these policies, the Institute's public audience continued its previous views of their support through the purchase of tickets and materials. The Institute's value to the visitor thus became the primary means of interacting with the public, forcing the Institute to rely on direct transactions rather than perpetuating a culture of mass philanthropy that could have supported the Institute's publically-charitable purpose.

Professionalizing the Institute's Staff and Fundraising Activity

Additionally, Skramstad implemented strict financial policies and an expanded fundraising program, including individuals, corporations, and foundations.⁹⁸³ Overall, the Institute became a leaner operation, decreasing its employee numbers by 15 to 30 percent during the early years of Skramstad's administration.⁹⁸⁴ His presidency included the further diversification of the Institute's endowment and the increasing use of grants from private and federal foundations, including the National Endowment for the Humanities and the Benson and Edith Ford Fund.⁹⁸⁵ Under Skramstad, the development department initiated an annual giving

⁹⁷⁹ Letter to Mr. and Mrs. Bill Alford from Harold K. Skramstad, Jr., 24 June 1981, Correspondence, 1981 - A, Box 1, E.I. #254, 1.

⁹⁸⁰ Letter to Elly Edison from Harold Skramstad, 28 January 1981, Correspondence, 1981 - E, Box 1, E.I. #254.

⁹⁸¹ Letter to Mr. and Mrs. Bill Alford from Harold K. Skramstad, Jr., 24 June 1981, Correspondence, 1981 - A, Box 1, E.I. #254, 2.

⁹⁸² Ibid.

⁹⁸³ Miller, *Telling America's Story*, 133-134; and Rick Sylvain, "He's banking on history to save museum," *Detroit Free Press*, 16 May 1982.

⁹⁸⁴ Bruce Alpert, "Historic Revival: Greenfield Village Pulls Itself Out of Slump," *Detroit News*, 18 October 1983; and Miller, *Telling America's Story*, 133.

⁹⁸⁵ Miller, *Telling America's Story*, 133-134; Letter to Pierre Hefler (Secretary, Benson and Edith Ford Fund) from Harold Skramstad, 14 October 1982, Topical File, 1982-Benson and Edith Ford Fund, Box 6,

program and grew its membership initiatives.⁹⁸⁶ With the creation of a new development program, the Institute's head of fund development, Bill Goodwin also recommended the initiation of planned giving opportunities. The use of life insurance, appreciated property, trust funds, and annuities presented an expansion of previous giving opportunities and new methods for the Institute to reach potential donors, beyond the scope of outright gifts and collection items.⁹⁸⁷

Goodwin encountered challenges developing an inaugural plan, in part due to the absence of an organized solicitation strategy and procedure.⁹⁸⁸ He described in one memorandum how most of the Institute's staff had little understand of the role of the development department and how it interacted with all parts of the organization, presenting challenges to its future success and integration with the organization's many areas of work.⁹⁸⁹ As a result, a 1983 procedure memorandum dictated that all gift requests needed to be coordinated through the Development Office, rather than through other departments' staff or volunteers.⁹⁹⁰ Additionally, the development staff gradually sought to differentiate between donors of money and donors of artifacts, as these gifts were intermingled in the earliest fundraising years.⁹⁹¹

With a strong push for visitors to buy memberships based on the value of the admission fee for family groups, institutional studies discovered as early as 1983 that most members had no intention of making a philanthropic gift to the Institute.⁹⁹² As a result of this particular culture of

E.I. #254; and Letter to Lynn Ford Alandt (President, Benson and Edith Ford Fund) from Steven K. Hamp (Chief Curator, Edison Institute), 25 November 1985, Correspondence, 1985-A, Box 13, E.I. #254.

⁹⁸⁶ Miller, *Telling America's Story*, 134.

⁹⁸⁷ Memorandum to Vice Presidents and Directors from Bill Goodwin, 27 August 1981, Correspondence, 1981 – Goodwin, William, Box 1, E.I. #254.

⁹⁸⁸ Memorandum regarding Interim Development Report (first quarter) to Harold K. Skramstad, Jr., from Bill Goodwin, 8 May 1981, Correspondence, 1981 – Goodwin, William, Box 1, E.I. #254.

⁹⁸⁹ *Ibid.*; and Policy and Procedure Memorandum, Gift Policy, 26 January 1983, Development 1981-1982, Box 3, E.I. #254.

⁹⁹⁰ Policy and Procedure Memorandum, Gift Policy, 26 January 1983, Development 1981-1982, Box 3, E.I. #254, 1.

⁹⁹¹ Memorandum regarding Gift Record Systems to Doug Bakken, Bob Miller, Ken Wilson, and Bob Springer from Bill Goodwin, 16 March 1981, Correspondence, 1981 – Goodwin, William, Box 1, E.I. #254.

⁹⁹² Letter to Don Adams from Jack C. Yager, 17 August 1983, Topical Files, 1983-Membership Focus Group Report, Box 9, E.I. #254, 1-2.

giving, the development and membership personnel discovered that fundraising efforts were negatively affected by claiming a relationship between giving and buying a membership.⁹⁹³ These findings further motivated the Institute to pursue an earned income strategy over one that promoted philanthropy among visitors.⁹⁹⁴ Instead, the membership served as one of the primary benefits of donations, while at the same time most members believed that they were already giving through their purchase of a pass to the Institute.⁹⁹⁵ In comparison, Institute staff indicated that members served as an easy-to-reach donor base, in comparison to non-members who remained an elusive group for direct mail and other solicitation formats.⁹⁹⁶

Skramstad, Goodwin, and the development staff utilized their connections with the Ford family, as board members, to begin recruiting corporate sponsors for the Edison Institute. As a result of the Ford family's connections, part of the initial strategy for corporate support involved contacting companies with a Detroit industrial or automotive affiliation.⁹⁹⁷ Future fundraising efforts continued to depend on the connections of the Ford family as Institute board members. The Development department's events and elite giving levels were often led by the Fords, with invitations coming directly from them to join.⁹⁹⁸

The Ford family's various foundations also covered significant infrastructure projects throughout Greenfield Village and the Henry Ford Museum. Skramstad, Steven Hamp, and other executive staff pursued funding through the Benson and Edith Ford Fund, presided over by Lynn

⁹⁹³ Ibid., 1-2; and Memorandum regarding Contributions to David C. DeVore and Harold Skramstad, Jr., from J. Robert Dawson, 27 November 1984, Correspondence, 1984-D, Box 10, E.I. #254.

⁹⁹⁴ Letter to Don Adams from Jack C. Yager, 17 August 1983, Topical Files, 1983-Membership Focus Group Report, Box 9, E.I. #254, 3; and Memorandum regarding Contributions to David C. DeVore and Harold Skramstad, Jr., from J. Robert Dawson, 27 November 1984, Correspondence, 1984-D, Box 10, E.I. #254.

⁹⁹⁵ Letter to Don Adams from Jack C. Yager, 17 August 1983, Topical Files, 1983-Membership Focus Group Report, Box 9, E.I. #254, 4.

⁹⁹⁶ Memorandum regarding Contributions to David C. DeVore and Harold Skramstad, Jr., from J. Robert Dawson, 27 November 1984, Correspondence, 1984-D, Box 10, E.I. #254.

⁹⁹⁷ Letter to William Clay Ford and Henry Ford II from Harold K. Skramstad, Jr., 5 November 1981, Correspondence, 1981 - F, Box 1, E.I. #254, 1.

⁹⁹⁸ Letter to Edsel B. Ford II from David C. DeVore (Director of Development), 5 April 1983, Topical Files, 1983-Development Department, Box 8, E.I. #254, 2.

Ford Alandt, one of the Institute's board members.⁹⁹⁹ Her support of the Institute primarily concentrated on expanding its library and hiring trained professionals to work with its collections, due to her own experience as a librarian and her father's role as a former board chairman.¹⁰⁰⁰ As a result, the Institute later received funding from the Benson and Edith Ford Fund for the planning process to create a Research Center that combined its archive and library within a state-of-the-art facility.¹⁰⁰¹ The Henry Ford II Fund also supported the Institute's renovation project, including the rebuilding of the Suwanee Steamboat in Greenfield Village.¹⁰⁰² Sheila Ford Hamp's mother and father operated the William and Martha Ford Fund, which provided generous gifts to the Institute. Many of these grants were directed toward restorations, maintenance, and other necessary improvements to the Village and Museum infrastructure.¹⁰⁰³ While these projects served as areas for which the development team otherwise struggled to raise funds, the Ford family provided much-needed donations to cover these costs.¹⁰⁰⁴ Additionally, the Ford Motor Company supplied many of the Institute's vehicles, long after it ended its regular support of exhibits and other infrastructure needs.¹⁰⁰⁵

The Development Office's role at the Institute did not grow effortlessly. After working at the Institute for over three years, Bill Goodwin began to seek other job opportunities, hoping to return to his higher education fundraising background.¹⁰⁰⁶ Based on his work in university

⁹⁹⁹ Letter to Lynn Ford Alandt from Steven K. Hamp, 25 November 1985, Correspondence, 1985-A, Box 13, E.I. #254.

¹⁰⁰⁰ Ibid; and Letter to Lynn Ford Alandt (Chair, Benson and Edith Ford Fund) from Steven K. Hamp (Chairman, Collections Division, Edison Institute), 17 November 1988, Correspondence, 1988- A, Box 22, E.I. #254.

¹⁰⁰¹ Letter to Lynn Ford Alandt from Steven K. Hamp, 17 November 1988, Correspondence, 1988- A, Box 22, E.I. #254; and Letter to Lynn Ford Alandt from Steven K. Hamp, 21 December 1988, Correspondence, 1988- A, Box 22, E.I. #254.

¹⁰⁰² Letter to Sheila Ford Hamp (Vice Chairman, Board of Trustees, Edison Institute) from Edsel Ford (Henry Ford II Fund), 1 December 1988, Correspondence, 1988- F, Box 22, E.I. #254.

¹⁰⁰³ Letter to "Mom and Dad" (William & Martha Ford Fund) from Sheila Ford Hamp? (Vice Chairman, Board of Trustees, Edison Institute), 21 November 1988, Correspondence, 1988- F, Box 22, E.I. #254.

¹⁰⁰⁴ Ibid.

¹⁰⁰⁵ Letter to Donald E. Petersen (Chairman, Ford Motor Company) from Harold K. Skramstad, Jr., 24 March 1988, Correspondence, 1988- F, Box 22, E.I. #254.

¹⁰⁰⁶ Letter to B.W. Pickett (Colorado State University) from Harold Skramstad, 19 November 1982, Correspondence, 1982-C, Box 3, E.I. #254.

development offices, Goodwin described to Skramstad how the Institute needed to expand beyond simple fundraising to create a more strategic and broad development office.¹⁰⁰⁷ Without an overarching strategy for the development activity to align with the Institute's future goals, Goodwin described his fundraising activity as being too reactionary, without sufficient coordination with the Institute's administration.¹⁰⁰⁸ By mid-1982, Goodwin officially resigned after describing, "It's a case of having the right person for the wrong program or the right program with the wrong person."¹⁰⁰⁹

The Institute filled Goodwin's role with Dave DeVore, a development officer with whom Skramstad had previously worked at the Chicago Historical Society.¹⁰¹⁰ Based on DeVore's earlier success at a historical museum, Skramstad expected solid results from the Institute's Development office. However, both men soon discovered the significant complexity and activity of the Institute's fundraising needs, which far exceeded the scope of their experience in Chicago.¹⁰¹¹

The development and membership division of the Institute expanded its operation throughout the 1980s, further professionalizing and establishing formalized planning procedures in line with the Institute's strategic plan.¹⁰¹² Through these efforts, the Institute's donors successfully met a National Endowment for the Humanities challenge grant of \$1 million.¹⁰¹³ By 1987, the Institute staff developed recognizable fundraising goals, metrics, and recognition

¹⁰⁰⁷ Memorandum regarding Development Program to Harold Skramstad from Bill Goodwin, 30 March 1982, Correspondence, 1982-G, Box 3, E.I. #254.

¹⁰⁰⁸ Ibid.

¹⁰⁰⁹ Memorandum to Bill Goodwin from Harold Skramstad, 14 May 1982, Correspondence, 1982-G, Box 3, E.I. #254.; and Memorandum regarding Development Program to Harold Skramstad from Bill Goodwin, 30 March 1982, Correspondence, 1982-G, Box 3, E.I. #254.

¹⁰¹⁰ Memorandum to Dave DeVore from Harold Skramstad, 30 August 1985, Correspondence, 1985-D, Box 13, E.I. #254.

¹⁰¹¹ Ibid.

¹⁰¹² Development and Membership Division Planning Document, September 1987, Topical Files, 1987-Development, Box 21, E.I. #254; and Memorandum to Directors and Managers from Harold K. Skramstad, Jr., 3 December 1984, Correspondence, 1984-Skramstad, Box 11, E.I. #254.

¹⁰¹³ Henry Ford Museum and Greenfield Village: 1987 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 10.

opportunities, with the intent of utilizing Raiser's Edge and expanded technology and database instruments to increase their productivity with existing staff.¹⁰¹⁴ Additionally, development staff members created several levels of major giving groups, with benefits suitable to the \$250+ and \$1,000+ gifts of the President's Society and Eagle Tavern Club respectively.¹⁰¹⁵ Between 1982 and 1987, the Institute's annual contributions jumped from \$382,000 to over \$5 million.¹⁰¹⁶ In 1988, the Institute had a total of 3,636 donors, including 93 corporate and 20 foundation donors to its annual fund campaign.¹⁰¹⁷ Between 1979 and 1988, the Institute raised over \$15 million through its growing development program.¹⁰¹⁸

The professionalization of the Edison Institute's staff resulted in some legal challenges for the organization, with the potential for lawsuits based on its long-held practices. While the Institute's earlier legal challenges most often related to its tax status and relationship with the Ford enterprises, the organization's personnel became their greatest liability. Following years of volunteer-driven activities, employee requests to volunteer resulted in the Institute's executive staff investigating the situation.¹⁰¹⁹ They discovered that evolving human resource practices and related legal requirements necessitated the formalization of the Institute's policies and its compensation of hired workers. Legal counsel recommended changes to the Institute's volunteer policy, based on non-exempt employees not being compensated for their volunteer services. As a

¹⁰¹⁴ Development and Membership Division Planning Document, September 1987, Topical Files, 1987-Development, Box 21, E.I. #254; Henry Ford Museum and Greenfield Village: 1987 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 10; and Memorandum regarding Donor Recognition to All Directors, Curators, and Managers, from Harold K. Skramstad, Jr., 19 January 1988, Correspondence, 1988-HKS, Box 25, E.I. #254.

¹⁰¹⁵ History: Fundraising, Henry Ford Museum & Greenfield Village, Correspondence, 1989 - F, Box 25, E.I. #254; and Remarks by Edsel B. Ford, Eagle Tavern Club, 27 September 1985, Topical Files, 1985-Board of Trustees, Box 14, E.I. #254, 3.

¹⁰¹⁶ Henry Ford Museum and Greenfield Village: 1987 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 11.

¹⁰¹⁷ History: Fundraising, Henry Ford Museum & Greenfield Village, Correspondence, 1989 - F, Box 25, E.I. #254.

¹⁰¹⁸ Ibid.

¹⁰¹⁹ Letter to James A. Rankine (Director of Personnel, Edison Institute) from Nancy L. Hutcheson (Hill, Lewis, Adams, Goodrich & Tait), 27 October 1982, Correspondence, 1982-H, Box 5, E.I. #254; and Memorandum regarding Employees (full and part-time) Working as Volunteers to Executive Committee from J. Robert Dawson, 16 September 1982, Correspondence, 1982-H, Box 5, E.I. #254.

result, full-time, non-exempt employees were no longer allowed to volunteer and significant restrictions were placed on part-time employees who also volunteered. Without these changes, the Institute's legal counsel worried that the organization would be held liable for back pay by disgruntled employees who filed a suit.¹⁰²⁰

Additionally, the Institute faced challenges from volunteers, who believed that they were being undermined by the new administration's security and human resource procedures.¹⁰²¹

While one volunteer described Skramstad's changes as "unprofessional, degrading, incommensurate, and hypocritical," the Institute's policies were designed for an individual's safety and security, in line with the professionalized procedures of other employees.¹⁰²²

Redefining the Institute's Relationship with the Ford Enterprises

In 1984, Skramstad and his staff sold the Dearborn Inn back to the Ford Motor Company, after owning the facility for 31 years.¹⁰²³ The sale's proceeds were directed to the Institute's endowment, while simultaneously reducing the organization's resources and staff time directed toward operating the Inn.¹⁰²⁴ In lieu of the Dearborn Inn and other non-mission-related activity, Skramstad intended to use the Institute's staff and resources to better utilize the collections. Under Skramstad, the Institute moved toward a view of exhibiting the "American experience," expanding beyond Henry Ford's limited collecting interests to become more representative of the nation as a whole.¹⁰²⁵ Through an analysis of the organization and its artifacts, the Curriculum

¹⁰²⁰ Letter to James A. Rankine from Nancy L. Hutcheson, 27 October 1982, Correspondence, 1982-H, Box 5, E.I. #254; and Memorandum regarding Employees (full and part-time) Working as Volunteers to Executive Committee from J. Robert Dawson, 16 September 1982, Correspondence, 1982-H, Box 5, E.I. #254.

¹⁰²¹ Letter to President Skramstad from Karen L. Brotherton, 31 July 1981, Correspondence, 1981 - B, Box 1, E.I. #254; and Letter to Karen L. Brotherton from President Skramstad, 6 August 1981, Correspondence, 1981 - B, Box 1, E.I. #254.

¹⁰²² Letter to Karen L. Brotherton from President Skramstad, 6 August 1981, Correspondence, 1981 - B, Box 1, E.I. #254.

¹⁰²³ Press Release from Ford Motor Company, 16 January 1984, Topical Files, 1983-Seaboard Properties (1 of 3), Box 9, E.I. #254, 1; and Miller, *Telling America's Story*, 101, 134.

¹⁰²⁴ Press Release from Ford Motor Company, 16 January 1984, Topical Files, 1983-Seaboard Properties (1 of 3), Box 9, E.I. #254, 1-2.

¹⁰²⁵ James S. Wamsley, "Harold K. Skramstad, Jr.," Topical File, 1982-Skramstad Presidency (Article), Box 6, E.I. #254, 11.

Committee determined that the Institute's strengths most closely aligned with "...the modernization of America in general and technology and its effects in particular," resulting in the gradual transition toward interpretive programs and exhibits that focused on America's changes between 1840 and 1950.¹⁰²⁶ During the 1980s and early 1990s, the Institute's professional staff began the grueling process of formalizing a program for collecting artifacts, including sorting through Henry Ford's disordered and improperly-cataloged collection.¹⁰²⁷ While the Institute received negative press for its deaccessioning process, the organization utilized the resulting funds for its collection and acquisition programs, in keeping with comparable processes at other American museums nationally.¹⁰²⁸

The Ford family continued to serve as integral members of the Institute's board throughout Skramstad's tenure as president. He once explained, "It's like the Ford Motor Co[mpany]. ... Their name's on it. They have an interest, and they give time and dollars. But the name Ford is such that a lot of people assume we're rich, and that's just not the case."¹⁰²⁹ The organization sought to shift the public's view toward one that broadened public appeal, diversified visitorship, and required increasing amounts of public support, beyond the limits of the Ford name.¹⁰³⁰

During the mid-1980s, Skramstad's frustrations with the Ford family reached its peak.¹⁰³¹ In a memorandum to William Clay Ford, Skramstad referred to the Ford family members' "family duty" as being the primary reason for their board membership.¹⁰³² Skramstad highly

¹⁰²⁶ Miller, *Telling America's Story*, 137, 139.

¹⁰²⁷ *Ibid.*, 155.

¹⁰²⁸ *Ibid.*

¹⁰²⁹ James S. Wamsley, "Harold K. Skramstad, Jr.," Topical File, 1982-Skramstad Presidency (Article), Box 6, E.I. #254, 10-11.

¹⁰³⁰ *Ibid.*

¹⁰³¹ Memorandum regarding Topic of Meeting on 7 January 1987, to William Clay Ford and Sheila Ford Hamp from Harold K. Skramstad, Jr., 28 December 1987, Topical Files, 1987- Board of Trustees, Box 21, E.I. #254; and Letter regarding A Presumptuous Proposal to William Clay Ford from Harold Skramstad, 10 July 1985, Topical Files, 1985- Board of Trustees, Box 14, E.I. #254.

¹⁰³² Letter regarding A Presumptuous Proposal to William Clay Ford from Harold Skramstad, 10 July 1985, Topical Files, 1985- Board of Trustees, Box 14, E.I. #254, 1.

encouraged the Ford family to make the Institute a “higher priority in Ford family thinking, foundation contributions, individual estate planning,” and other forms of stewardship.¹⁰³³ Otherwise, Skramstad believed the Institute would need to change its board model to become less dependent on the support and influence of its Ford family members.¹⁰³⁴ Additionally, he realized that the Institute would have to publically communicate regarding the family’s wish to no longer continue in their past leadership role on behalf of the Institute.¹⁰³⁵ In later years, Skramstad continued to promote the Institute as an essential component of the Ford family’s philanthropy, alongside other institutions of importance to Henry Ford and his descendants, including the Fairlane Estate, Edsel and Eleanor Ford House, and Henry Ford Hospital.¹⁰³⁶

Regardless of the Ford family’s board decisions, Skramstad recognized the challenges of growing a successful development program without strong board involvement to accompany staff efforts.¹⁰³⁷ Facing rising costs, the Institute’s administration acknowledged the limitations of their dependence on earned revenue sources.¹⁰³⁸ Skramstad wrote to the board’s Development Committee explaining that the “only undeveloped area of revenue is contributed support.”¹⁰³⁹ As a result, the trustees pursued an initial amount of state funding, specifically from public tax money, to make capital improvements to the facility and exhibits.¹⁰⁴⁰ The Institute received its first allocation through the Michigan government as part of the 1986-1987 state budget.¹⁰⁴¹

¹⁰³³ Ibid., 2.

¹⁰³⁴ Ibid.

¹⁰³⁵ Memorandum regarding Topic of Meeting on 7 January 1987, to William Clay Ford and Sheila Ford Hamp from Harold K. Skramstad, Jr., 28 December 1987, Topical Files, 1987- Board of Trustees, Box 21, E.I. #254.

¹⁰³⁶ Memorandum to Edsel B. Ford II from Harold K. Skramstad, Jr., 19 July 1994, Board Correspondence, Box 32, E.I. #254.

¹⁰³⁷ Memorandum to William Clay Ford from Harold K. Skramstad, Jr., 24 July 1986, Topical Files, 1986- Board of Trustees, Box 17, E.I. #254.

¹⁰³⁸ Memorandum to Development Committee from Harold K. Skramstad, Jr., 4 February 1985, Topical Files, 1986- Development, Box 17, E.I. #254, 1-2.

¹⁰³⁹ Ibid., 2.

¹⁰⁴⁰ Ibid.

¹⁰⁴¹ Letter to Dave DeVore (Edison Institute) from William J. Runco (State Representative, 31st District, Dearborn), 15 April 1986, Topical Files, 1986- State Support, Box 19, E.I. #254.

At the end of 1989, William Clay Ford's daughter, Sheila Ford Hamp, replaced him as chairman of the board.¹⁰⁴² She contributed a valuable perspective as an experienced educator, museum guide, and member of the Ford family.¹⁰⁴³ Following nearly 10 years of Skramstad's leadership and the board's new focus on its mission and strategy, Skramstad and his staff unveiled new initiatives focused on the theme of innovation and designed to improve the educational value of the Institute as a museum experience for a public audience.¹⁰⁴⁴ Additionally, this period marked the expansion of the board to include an increasing number of non-Ford family members, representing other regions and national interests for the Institute.¹⁰⁴⁵

Reimagining the Institute's Place in the Museum Field

Together, Skramstad and Sheila Hamp sought an evolving presentation of the Institute's mission, in keeping with the challenges, learning styles, and technological evolution they foresaw for the twenty-first century.¹⁰⁴⁶ New exhibits, including "Made in America," relied upon fundraising campaigns and endowment funding drives led by board members.¹⁰⁴⁷ Concurrently, the Institute's staffing structure underwent a significant change, as it became increasingly less hierarchical and more team-dependent.¹⁰⁴⁸ As a result, staff could more easily develop mission-related programming designed to facilitate "activity-based learning experiences," beyond the traditional static exhibit style.¹⁰⁴⁹ The Institute's board also experienced a significant structural

¹⁰⁴² Henry Ford Museum and Greenfield Village: 1989 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 14.

¹⁰⁴³ Ibid., 14-15.

¹⁰⁴⁴ Ibid., 1, 14-17.

¹⁰⁴⁵ Ibid., 16-17; Remarks by William Clay Ford, Eagle Tavern Club, 27 September 1985, Topical Files, 1985- Board of Trustees, Box 14, E.I. #254., 1; and Memorandum to Board of Trustees (Henry Ford Museum & Greenfield Village) from Harold K. Skramstad, Jr., 15 February 1989, Topical File, 1989- Board of Trustees, Box 26, E.I. #254.

¹⁰⁴⁶ Henry Ford Museum and Greenfield Village: 1992 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 2.

¹⁰⁴⁷ Ibid., 4.

¹⁰⁴⁸ Ibid., 4; and Memorandum regarding Redesign of Board Structure and Process to Board of Trustees Members from Sheila Ford Hamp and Harold K. Skramstad, Jr., 19 April 1994, Board Correspondence, Box 32, E.I. #254.

¹⁰⁴⁹ Henry Ford Museum and Greenfield Village: 1993 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 2-3.

change, based on a team approach to project management.¹⁰⁵⁰ Utilizing the Institute’s strategic plan, measurable performance outcomes, and a series of objectives, the board began to develop long-range plans integral to the success of its professionalized staff.¹⁰⁵¹ The board’s new objectives included “supporting staff excellence” and “increasing our financial strength and independence,” both of which encouraged increased attention to the professionalism of the Institute and its funding structure, including strengthening the organization’s philanthropic resources.¹⁰⁵²

Skramstad served as a significant member of the professional museum field, working to further professionalize and improve cultural organizations nationally. In 1982, he joined the Accreditation Commission of the American Association of Museums, where he served for more than a decade with nationally-recognized museum directors and experts to improve practices at institutions across the country.¹⁰⁵³ He also joined the Commission on Museums for a New Century, in order to help the museum field navigate forthcoming challenges and explore new strategies for the profession.¹⁰⁵⁴ In 1992, Harold Skramstad received the Charles Frankel Prize from the National Endowment for the Humanities, in recognition of his work on the Institute’s educational and new audience outreach initiatives.¹⁰⁵⁵ The Institute began pushing the concept of learning experiences and hands-on activity as integral means for visitors to interact with its

¹⁰⁵⁰ Memorandum regarding Redesign of Board Structure and Process to Board of Trustees Members from Sheila Ford Hamp and Harold K. Skramstad, Jr., 19 April 1994, Board Correspondence, Box 32, E.I. #254.

¹⁰⁵¹ Ibid.; and Memorandum Attachment regarding Final Draft – Strategic Goals to H. Skramstad and others from G. Donald Adams, 8 June 1993, Strategic Goals 2000, Box 33, E.I. #254.

¹⁰⁵² Memorandum Attachment regarding Final Draft – Strategic Goals to H. Skramstad and others from G. Donald Adams, 8 June 1993, Strategic Goals 2000, Box 33, E.I. #254, 1.

¹⁰⁵³ Letter to Harold K. Skramstad from Joy Y. Norman (Secretary to the Accreditation Commission, American Association of Museums), 5 February 1982, Topical File, 1982 - AAM, Box 4, E.I. #254; and Letter to Harold Skramstad from Edward Able, Jr. (Executive Director, American Association of Museums), 31 March 1994, AAM - 1994, Box 32, E.I. #254.

¹⁰⁵⁴ Letter to Harold Skramstad from Joel Bloom and Earl Powell III (Co-chairs of American Association of Museum’s Commission on Museums for a New Century), 22 October 1981, Topical Files, 1983-Commission on Museums, Box 8, E.I. #254.

¹⁰⁵⁵ Henry Ford Museum and Greenfield Village: 1992 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 17; and Henry Ford Museum and Greenfield Village: 1993 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 3.

collections.¹⁰⁵⁶ As a result, its exhibits reached beyond scholarly and technical visitors to better serve families, school groups, off-site program participants, and other diverse audiences.¹⁰⁵⁷

Skramstad used his Frankel Prize funds to establish the L. W. Towner Staff Development Fund, to provide additional training and professional development opportunities to the Institute's staff, improving the quality of the organization's work as a whole.¹⁰⁵⁸

Transitioning the Institute's Professionalized Strategy

Harold Skramstad officially resigned as President of the Edison Institute in 1996. At the request of the board, he continued to serve as a senior advisor and board member following his retirement.¹⁰⁵⁹ Concurrently, the Institute's board appointed Steven Hamp as its new president and William (Bill) Clay Ford, Jr., as its new chairman of the board.¹⁰⁶⁰ Hamp had served as an intern at the Institute in the 1970s before assuming multiple positions in the collections, education, and public program divisions of the organization.¹⁰⁶¹ Hamp viewed Skramstad as a long-time mentor, sharing his belief in the Institute's direction and professionalized mission, strategy, and programs.¹⁰⁶² In addition, Hamp continued his predecessor's role as a scholar and national figure in the promotion of the humanities and museums nationally.¹⁰⁶³

The 1990s served as a period of continued growth for the Development office. However, an audit of its work presented ongoing challenges to its future growth and plans to conduct a

¹⁰⁵⁶ Henry Ford Museum and Greenfield Village: 1993 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 1-2.

¹⁰⁵⁷ *Ibid.*, 2.

¹⁰⁵⁸ Memorandum regarding Towner Gift/Bulletin Article to Kim Arceci from Candace Spaulding, 21 May 1993, Development Committee, Box 2 – 2005 Donation, Steven K. Hamp Records, Accession #241, Edison Institute Collection, Benson Ford Research Center.

¹⁰⁵⁹ Press Release, Henry Ford Museum Announces New Leadership, 27 June 1996, SKH, Box 2, Subject and Alphabetical Files 1996, E.I. #241.

¹⁰⁶⁰ *Ibid.*; Henry Ford Museum and Greenfield Village: 1996 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 1; and Miller, *Telling America's Story*, 165-166.

¹⁰⁶¹ Miller, *Telling America's Story*, 165.

¹⁰⁶² Henry Ford Museum and Greenfield Village: 1996 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 2; and Press Release, Henry Ford Museum Announces New Leadership, 27 June 1996, SKH, Box 2, Subject and Alphabetical Files 1996, E.I. #241.

¹⁰⁶³ Press Release, Henry Ford Museum Announces New Leadership, 27 June 1996, SKH, Box 2, Subject and Alphabetical Files 1996, E.I. #241.

capital campaign.¹⁰⁶⁴ The Institute experienced exceptionally high rates of development staff turnover, as well as poor record keeping.¹⁰⁶⁵ Additionally, internal staff continued to face challenges in regards to understanding development’s role within the Institute and how to connect its activity with other departments.¹⁰⁶⁶ With the goal of increased professionalism and performance, the Institute continued to pursue its fundraising plans, in spite of the “political and philanthropic climate” of the region.¹⁰⁶⁷

On April 23, 1998, the Institute began its first capital campaign, to raise \$40 million for infrastructure improvements and new programming.¹⁰⁶⁸ Following nearly seventy years of deterioration, the museum needed a new climate-control system and other village buildings required extensive restoration to survive future years of use.¹⁰⁶⁹ With a completion date projected for early 2000, the campaign committee had already raised \$33 million, including grants from the Kresge Foundation, Ford Motor Company, National Endowment for the Humanities, and the State of Michigan.¹⁰⁷⁰ By 2004, the Institute also underwent the Inspiration Project campaign, raising another \$155 million toward its programs, exhibits, and facilities.¹⁰⁷¹ The campaign attracted grants from corporations and foundations, including Cisco Systems, UGS, Kresge Foundation, Ford Motor Company, and Bill Gates.¹⁰⁷²

Under Hamp’s direction, even prior to his role as president, he led an initiative to create the Henry Ford Academy of Manufacturing Arts and Sciences, as a public chartered high school

¹⁰⁶⁴ Memorandum Attachment regarding Brown Associates Audit to William Clay Ford, Jr. (Chair, Development Committee) from Harold K. Skramstad, Jr., 26 October 1995, 1995 Board Correspondence, Box 33, E.I. #254, 1.

¹⁰⁶⁵ *Ibid.*, 1-2.

¹⁰⁶⁶ *Ibid.*, 2-3.

¹⁰⁶⁷ *Ibid.*, 3-4, 7.

¹⁰⁶⁸ Henry Ford Museum and Greenfield Village: 1998 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 21; and Miller, *Telling America’s Story*, 165.

¹⁰⁶⁹ Henry Ford Museum and Greenfield Village: 1998 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 21; and Miller, *Telling America’s Story*, 165.

¹⁰⁷⁰ Henry Ford Museum and Greenfield Village: 1998 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 21.

¹⁰⁷¹ The Henry Ford: Annual Report 2004, E.I. #110, 1.

¹⁰⁷² The Henry Ford: Annual Report 2005, E.I. #110, 1.

within the premises of the Institute.¹⁰⁷³ Expanding the Institute’s focus on experiential learning and innovation, the Academy served as a new kind of collaboration with the Ford Motor Company, as well as Wayne County Regional Educational Service Agency (RESA).¹⁰⁷⁴ The Henry Ford Academy brought about the return of full-time student instruction to the Institute grounds, nearly 30 years after the Greenfield Village Schools shut its doors.¹⁰⁷⁵

In 2001, the Institute’s board of trustees approved a new vision statement and strategic plan that was intended to guide the organization to become “the benchmark history attraction in America, setting the standard in our field for educational value, hospitality, and meaningful, memorable, and mission-satisfying visitor experiences.”¹⁰⁷⁶ Based on the Institute’s new master plan, additional developments during the early 2000s resulted in the complete restoration of Greenfield Village’s infrastructure, as well as the addition of the Benson Ford Research Center (the combined archive and library on the Edison Institute’s campus).¹⁰⁷⁷ During a nine month period between September 2002 and June 2003, the Village underwent significant changes to its facilities, arrangement of historic structure, and underground systems.¹⁰⁷⁸

By 2003, the Institute’s professionalized staff officially re-branded the organization as “The Henry Ford” to incorporate Greenfield Village, the Henry Ford Museum, and the relatively new additions of the Benson Ford Research Center, IMAX Theatre, and Ford Rouge Factory Tour.¹⁰⁷⁹ While intended to clarify the brand of the organization and its multiple attractions, this development further promoted the public’s perception of the Edison Institute as being inherently connected to the Ford family, including their funding, leadership, and company.¹⁰⁸⁰

¹⁰⁷³ Henry Ford Museum and Greenfield Village: 1996 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 6.

¹⁰⁷⁴ *Ibid.*, 6.

¹⁰⁷⁵ Henry Ford Museum and Greenfield Village: 1997 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 7.

¹⁰⁷⁶ The Henry Ford: Annual Report 2002, E.I. #110, 1.

¹⁰⁷⁷ Henry Ford Museum and Greenfield Village: 2001 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 5, 9; and Miller, *Telling America’s Story*, 187, 191.

¹⁰⁷⁸ The Henry Ford: Annual Report 2002, E.I. #110, 3; Miller, *Telling America’s Story*, 191.

¹⁰⁷⁹ The Henry Ford: Annual Report 2003, E.I. #110, 8; and Miller, *Telling America’s Story*, 97.

¹⁰⁸⁰ The Henry Ford: Annual Report 2003, E.I. #110, 8.

During his tenure as president, Steven Hamp hired business professionals to further the Institute's revenue-producing activities, prioritizing earned income over fundraising. Likewise, he sought a stronger overall business strategy for the Institute.¹⁰⁸¹ However, philanthropic support continued to have a significant role in the Institute's overall revenue strategy. Between 1977 and 2010, the Edison Institute collected nearly \$133 million in revenue from development activity, including both contributions and memberships.¹⁰⁸² Its endowment earned nearly \$230 million in income, in addition to its nearly \$800 million in operating revenue.¹⁰⁸³ With total operating expenses of over \$1 billion, the Edison Institute overcame its earlier financial losses to earn over \$21 million net operating income.¹⁰⁸⁴

Hamp's funding and leadership strategy continued past his time at the Institute and his movement into a position working at the Ford Motor Company. Patricia Mooradian, of Hamp's senior staff, was promoted to the Institute's presidency in 2005.¹⁰⁸⁵ Mooradian arrived at the Institute with several decades of experience in communications, management, and strategic planning in the corporate world.¹⁰⁸⁶ Her previous leadership as Vice President of Program and Marketing set the Institute on a course to further utilize strategic planning, participatory learning, and the organization of all of the Institute's features as part of a more comprehensive visitor experience.¹⁰⁸⁷ As a result, Mooradian played a key role in leading the Institute's rebranding, conducting significant capital improvements, and executing the institution's master plan of new initiatives and exhibits.¹⁰⁸⁸

¹⁰⁸¹ Miller, *Telling America's Story*, 175.

¹⁰⁸² See Appendix L for the full compilation and calculations of annual report financial data for the Edison Institute between 1977 and 2010. Annual Reports of The Edison Institute, 1977-2010, E.I. #110.

¹⁰⁸³ See Appendix L for the full compilation and calculations of annual report financial data for the Edison Institute between 1977 and 2010. Ibid.

¹⁰⁸⁴ See Appendix L for the full compilation and calculations of annual report financial data for the Edison Institute between 1977 and 2010. Ibid.

¹⁰⁸⁵ The Henry Ford: Annual Report 2005, E.I. #110, 1; and Miller, *Telling America's Story*, 175, 201-202.

¹⁰⁸⁶ The Henry Ford: Annual Report 2005, E.I. #110, 3.

¹⁰⁸⁷ Henry Ford Museum and Greenfield Village: 2001 Annual Report, Box 3: Annual Report – 1980 to ---, E.I. #110, 5.

¹⁰⁸⁸ The Henry Ford: Annual Report 2005, E.I. #110, 3.

By 2009, additions to the Institute's board offered more diverse perspectives, while perpetuating the Ford family's involvement. S. Evan Weiner replaced William Clay Ford, Jr. as chairman of the board, representing the first non-Ford family member in the position. At the same meeting, Christopher Hamp joined the board, representing the fifth generation of Ford family members to govern to the organization. As the son of Sheila Ford Hamp and Steven Hamp, Christopher Hamp served as the confluence of Ford family leadership and professional museum administration at the Edison Institute.¹⁰⁸⁹

The Modern-day Challenges of the Ford Family's Philanthropic Organizations

The Edison Institute's grant-based connection to the Ford Foundation ended in the early 1970s. Prior to that time, the Ford Foundation granted over \$94.4 million to Michigan organizations, including the Institute.¹⁰⁹⁰ This period marked the final transition of the Foundation away from the leadership of the Ford family and any residual connection to the state of Michigan.¹⁰⁹¹ However, Henry and Edsel's general intent for the Ford Foundation remained in its Michigan-based incorporation documents, leaving future generations of Michiganders to ponder how an alternative interpretation of the Foundation's purposes would have impacted the state.

In 2006, the Michigan attorney general, Mike Cox, began an investigation into the Ford Foundation's support of Michigan-based nonprofits. The Ford Foundation spent the majority of its history working internationally, far removed from its Detroit origins.¹⁰⁹² However, the state of

¹⁰⁸⁹ Miller, *Telling America's Story*, 209.

¹⁰⁹⁰ The Ford Foundation Grants to Michigan Philanthropies, 1936-1972, Folder 2: Fund Files – Miscellaneous Grants (Michigan Fund), Fund File "A" 1949-1973, Box 1, The Ford Foundation Fund Files, Ford Foundation records, Rockefeller Archive Center.

¹⁰⁹¹ Idelle Nissila (Research Associate, Ford Foundation), e-mail message to author, 9 June 2011; Lucas Buresch (Assistant Archivist, Rockefeller Archive Center), e-mail message to author, 16 April 2012; Ian Wilhelm, "Michigan Asks Ford Foundation to Show It Is Following Donors Intentions," *Chronicle on Philanthropy*, 20 April 2006; and Ford Foundation, *A Selected Chronology of the Ford Foundation*, 13-14.

¹⁰⁹² Ian Wilhelm, "Michigan Asks Ford Foundation to Show It Is Following Donors Intentions," *Chronicle on Philanthropy*, 20 April 2006; and Leslie Lenkowsky, "Foundations Can Expect Increased Attention from State Officials," *Chronicle on Philanthropy*, 20 April 2006.

Michigan recognized the Foundation's responsibility to the state in which it was incorporated.¹⁰⁹³ As evidenced in this dissertation, the Ford family designed the Ford Foundation to perpetuate their philanthropy around Detroit and in the state of Michigan.¹⁰⁹⁴ The state's attorney general and his staff conducted research and discovered that the Foundation focused over 90 percent of its giving during the 1930s and 1940s within the state of Michigan.¹⁰⁹⁵ While the Foundation has continued to give within the state, Michigan's portion of Ford Foundation grants significantly declined to only 0.07 percent by 2006.¹⁰⁹⁶

Attorney General Cox requested the Foundation to provide documentation of its governance and grantmaking practices, based on concerns about its current grant focus, administrative costs, and potential conflicts of interest regarding board membership.¹⁰⁹⁷ During this same time, some experts claimed that the Foundation's situation marked a period of increased policing by states over charitable activity.¹⁰⁹⁸ Without a strict Michigan-based purpose expressed in the Foundation's charter, Cox faced challenges in proving Henry Ford's intent to maintain its focus in the state. The Foundation's giving history during Henry Ford's lifetime did not offer sufficient proof of this claim.¹⁰⁹⁹ Additionally, the investigators did not find evidence of the Foundation's proposed Michigan Foundation or short-term Michigan Fund, which would have fulfilled the criteria on which their search for in-state support was based, as it proved the

¹⁰⁹³ Ian Wilhelm, "Michigan Asks Ford Foundation to Show It Is Following Donors Intentions," *Chronicle on Philanthropy*, 20 April 2006; and Leslie Lenkowsky, "Foundations Can Expect Increased Attention from State Officials," *Chronicle on Philanthropy*, 20 April 2006.

¹⁰⁹⁴ See chapter three. Ian Wilhelm, "Michigan Asks Ford Foundation to Show It Is Following Donors Intentions," *Chronicle on Philanthropy*, 20 April 2006.

¹⁰⁹⁵ *Ibid.*

¹⁰⁹⁶ *Ibid.*; and Ian Wilhelm, "Mich. Lawmakers Offer Bill to Force Ford and Other Funds to Give More Within the State," *Chronicle on Philanthropy*, 29 June 2006.

¹⁰⁹⁷ Ian Wilhelm, "Michigan Asks Ford Foundation to Show It Is Following Donors Intentions," *Chronicle on Philanthropy*, 20 April 2006.

¹⁰⁹⁸ Leslie Lenkowsky, "Foundations Can Expect Increased Attention from State Officials," *Chronicle on Philanthropy*, 20 April 2006.

¹⁰⁹⁹ *Ibid.*

Foundation's early focus on Michigan-based institutions and the Ford family's philanthropic legacy within the state.¹¹⁰⁰

This situation comes down to a debate between the donor's original intent and the nonprofit and foundations' ability to remain agile and serve an ever-changing society.¹¹⁰¹ Without clearly-stated objectives, the Foundation managed to maneuver away from the "dead hand" of Henry Ford and toward a non-Michigan-specific grant program.¹¹⁰² However, that decision left the entire state, and southeastern Michigan in particular, without much-needed philanthropic funding in times of economic distress.

In response to criticism of the Ford Foundation's giving in Michigan, Representatives Andy Dillon and Bill Huizenga proposed remedial legislation in the Michigan House of Representatives in June 2006. The bill proposed that foundations founded in Michigan would have to give at least 50 percent of grants within the state, unless alternative arrangements would be made within the original foundation charter.¹¹⁰³ While this legislation did not pass its first committee review, it raised public awareness of the Ford Foundation's historical role in Michigan and the significant shift in its grants starting in the 1950s.¹¹⁰⁴

Similar to the Ford Foundation debate in Michigan, other charitable organizations throughout the United States have become the focus of legislative debates in recent years. On May 16, 2012, the president of the American Association of Museums (AAM) appeared before

¹¹⁰⁰ Ford Foundation, Report of the study for the Ford Foundation on policy and program, Vol. 4, Staff Memo #6: "Proposed Michigan Foundation," (Detroit: Ford Foundation, 1949), Ford Foundation records, Rockefeller Archive Center.

¹¹⁰¹ Leslie Lenkowsky, "Foundations Can Expect Increased Attention from State Officials," *Chronicle on Philanthropy*, 20 April 2006.

¹¹⁰² *Ibid.*

¹¹⁰³ Michigan House of Representatives, *House Bill No. 6153*, 7 June 2006, <http://www.legislature.mi.gov/documents/2005-2006/billintroduced/House/pdf/2006-HIB-6153.pdf>; and Ian Wilhelm, "Mich. Lawmakers Offer Bill to Force Ford and Other Funds to Give More Within the State," *Chronicle on Philanthropy*, 29 June 2006.

¹¹⁰⁴ Ian Wilhelm, "Mich. Lawmakers Offer Bill to Force Ford and Other Funds to Give More Within the State," *Chronicle on Philanthropy*, 29 June 2006; and Michigan House of Representatives, "House Bill No. 6153 (2006)," <http://www.legislature.mi.gov/%28S%283yjellebfxy23y2obncm1k55%29%29/mileg.aspx?page=getObject&objectName=2006-HB-6153>.

the House Ways and Means Committee for a hearing related to tax-exempt organizations.¹¹⁰⁵

Under a proposed federal budget, the House intended to reduce the amount of money available to fund museums and similar nonprofit institutions. Additional proposals intended to limit charitable deductions, further restricting potential philanthropic income to these organizations.¹¹⁰⁶

In a period of economic uncertainty and following years of museums' significant budget cuts, Congress requested museums to increase their dependence on charitable gifts. In response, AAM's president requested the House committee to reconsider its position, in order to allow for the charitable deductions and other philanthropic mechanisms to be continued and help ensure the long-term support of museums nationally.¹¹⁰⁷

As evidenced throughout the Edison Institute case study, philanthropic support comprises a significant portion of nonprofit income. While the proportions of earned and contributed revenue vary by institution, threats to any one income source destabilizes the precarious funding situation of the entire organization. The impact of legislative activity on charitable organizations directly impacts the way in which the Edison Institute and other foundations and nonprofits manage their resources and conduct their philanthropic activities.

Conclusion

Following decades of leadership and funding by the Ford family, the Edison Institute turned to a more professionalized strategy to overcome the challenges of the last decades of the twentieth century. Through the hiring of museum experts and experienced development staff, the Institute began to seek a more comprehensive funding and staffing structure. Building on Henry

¹¹⁰⁵ The American Association of Museums has since become the American Alliance of Museums. American Association of Museums, "Statement by Ford W. Bell (President of the American Association of Museums) to the House Ways and Means Committee Subcommittee on Oversight Hearing on Tax Exempt Organizations," 16 May 2012, <http://www.speakupformuseums.org/docs/AAM%20WM%20Tax%20Exempt%20Orgs%20FINAL.pdf>.

¹¹⁰⁶ Ibid.

¹¹⁰⁷ Ibid.

Ford's legacy, these staff sought to reimagine the organization and adapt its collections, departments, and business operations to ensure its survival well into the twenty-first century. The leadership of Skramstad, Hamp, and Mooradian offered the Institute new opportunities to explore earned revenue and fundraising best practices, in order to meet the needs of the immense organization conceived by Henry Ford. Even within a challenging legal and economic context, Henry Ford's legacy continues to manifest itself through the efforts of his descendants and trained professionals, who strive to exhibit his collections and sustain the organizations he built nearly a century ago.

CHAPTER SEVEN: CONCLUSION

Introduction

When Henry Ford envisioned the Edison Institute in the early twentieth century, little could he have imagined the forthcoming challenges his organization would face in the coming decades. Through an evolving legal landscape and significant change to its internal leadership and funding structure, the Institute survived in order to share Henry Ford's collections and vision for an educational and inspiring museum complex with future generations. Following his death, successive generations of his family joined together to lead the Edison Institute's board, while recruiting increasingly professionalized staff to manage its daily operations. Similarly, Henry Ford's original funding strategy, which relied on his personal philanthropy, diversified to incorporate increased levels of public support and modernized fundraising campaigns to raise sustainable revenue for the Institute. Beyond the organization's walls, it also faced ever-changing legal regulations, which impacted its institutional leadership structures, funding, and operations throughout its history. As a result, the present-day Edison Institute is vastly different organization than the one first imagined by Henry Ford, exemplifying a vision of a modern and professionalized American nonprofit. Nonetheless, the Edison Institute's history reflects an institution bound to Henry Ford's philanthropic legacy and continually seeking to survive and remain relevant in an ever-changing world.

Philanthropy in the Twentieth Century

Three themes interweave throughout the Edison Institute case study, focusing on changes in American philanthropy, institutional leadership, and the legal regulations applicable to nonprofit organizations. The Institute's history reveals the array of perspectives involved in any philanthropic activity. Henry Ford and his family represent the role of donors, who offer organizations significant gifts, which in turn supply new avenues of activity and mission-oriented

growth over time. Their generosity's outgrowth into the formation of corporate and private foundations, namely the Ford Motor Company Fund and Ford Foundation, exemplify the importance of institutional philanthropy. Finally, the Edison Institute functions as the recipient of much of the philanthropy discussed throughout the case study.

Through rich archival sources, the Institute's perspective as an emerging nonprofit funded by the Ford's philanthropic giving mechanisms becomes clear. Its later efforts at building public support and fundraising campaigns offers further evidence of the Fords' earlier philanthropy. Within the Institute's original finances, Henry Ford utilized his philanthropy to fulfill the remaining expense needs of the organization. As a result, the Institute's long-term revenue streams relied upon philanthropic giving, in its many forms. During the earliest years, the Institute's fundraising efforts focused primarily on specific requests to Henry Ford before gradually formalizing to appeal to his Ford Foundation and later the Ford Motor Company Fund. While the Institute's fundraising activity remained concentrated on Ford-related personnel and institutional giving mechanisms, the ongoing professionalization and regulation of the nonprofit sector forced Institute staff to concentrate their efforts on developing an increasingly sustainable funding structure.

Following the Tax Reform Act of 1969, the Edison Institute finally developed a fully-conceived fundraising program. As part of this effort, the Ford family, Ford Foundation, Ford Motor Company, and Ford Motor Company Fund emerged as major donors for the Institute, helping to build the organization's endowment and support its capital improvement projects. They also sought to fulfill specific institutional needs that would be least likely to receive support through public donations, specifically capital and infrastructure projects at Henry Ford Museum and Greenfield Village. Through the creation of membership programs, annual fund campaigns, and an increasingly professionalized development office, the Institute gradually moved away from its reliance on the various Ford business and philanthropic enterprises, generating a more sustainable funding source through public support. Staff diversified the Institute's donor pool to

incorporate other individual and institutional donors to augment the Fords' philanthropic efforts, maintaining the organization's public charity status and sustaining Henry Ford's legacy of an educational museum complex in Dearborn.

Changes in Institutional Leadership

Even within the Ford Motor Company, Henry Ford was not known for his ability to build a succession plan.¹¹⁰⁸ His philanthropic ventures, including the Edison Institute, suffered from similar leadership challenges following his death. After an initial period of his autocratic leadership in founding and building the Institute, the organization was left without a long-term strategy for its future. However, the efforts of younger generations of the Ford family, several key Ford Motor Company and Ford Foundation executives, and the Institute's staff ensured the organization's survival through its transition period. Over time, the Institute became increasingly professionalized, collaborating with other museums nationally to improve practices within the field.

The Edison Institute exemplifies the vast difference between a founder's initial leadership style and the professionalized actions of later staff. Furthermore, Henry Ford took his position as founder to an extreme as he insisted on his staff following his precise instructions without relying on known experts or the best practices of the time. As a result, later professionals sought to overcome a tradition of amateur collecting and museum exhibition efforts. Fortunately, the Institute benefited from its long-time affiliation with the Ford Motor Company, which ensured ongoing consultation regarding its business and financial practices. Throughout its history, the Edison Institute relied on earned income for a significant portion of its funding, consistent with its corporate mentality. The emergence of a development department, unique to nonprofits, transpired relatively late in the organization's progression.

¹¹⁰⁸ Henry Mintzberg, "Power and Organization Life Cycles," *Academy of Management Review* 9, no. 2 (1984): 214.

The professionalization of the Edison Institute's staff occurred in its later years, following Henry Ford's death. Through the hiring of trained experts in fields related to art history, American Studies, and museums, the Institute began to improve its internal practices to align with the activity of other museums nationally. In addition, the American Association of Museums served as an ever-present resource for expertise and networking that further educated the Institute's staff about how they should develop the museum and village over time. The most recent generation of Institute executives exemplify the significant impact of this level of professionalism within the organization, as they have also served as nationally-recognized experts and consultants in the museum field. Throughout their efforts, the Institute's staff have found innovative ways to maintain Henry Ford's legacy while engaging new audiences and overcoming present-day challenges to the organization's survival.

An Evolving Legal Environment in America

The Edison Institute case study encapsulates the history of philanthropy and its regulation in America throughout the twentieth century. Beyond the museum complex, its funding history and organizational structure depended on other institutions created by the Ford family, including the Ford Foundation, Ford Motor Company, and Ford Motor Company Fund. As a result, the Edison Institute case illustrates the impact of evolving legal regulation on a set of interrelated nonprofit organizations and foundations during the period in which they emerged as a significant and unique sector in the United States.

The Edison Institute, Ford Foundation, and Ford Motor Company Fund emerged as products of their time and context, structured under existing law for the formation of philanthropic institutions. Based on their incorporation in the state of Michigan and during their respective founding years, they operated within the scope of regulations established during the early part of the twentieth century. However, the evolution of federal law regarding philanthropic organizations significantly impacted their growth. While changes in regulation occurred during

earlier periods, the congressional debates for the Tax Reform Act of 1969 had the most profound impact on these institutions' future direction and relationship to one another, as well as the Ford family. The resulting laws influenced the extent to which the Edison Institute could collaborate with the Ford family, Ford Motor Company, and their respective philanthropies. Consequently, the Edison Institute's survival depended on its ability to gain public support and recruit a broader constituency of board members and advocates, beyond the Ford family and their enterprises.

The Edison Institute case study does not fully encapsulate the changes in American tax law for nonprofits. However, it exemplifies the significant effects of changing regulation on a set of inter-related philanthropic institutions over nearly a century. The Institute's ability to withstand an evolving legal environment reveals the ways in which its internal leadership and funding structure had a significant impact on its survival, as well as the way in which its connections with the Ford family's other corporate and philanthropic institutions influenced its role within the national debate concerning the role of philanthropy and nonprofit organizations.

Implications

From the earliest moment of researching and writing the Edison Institute's case study, I set out to examine questions related to its survival beyond Henry Ford's lifetime. Across the nonprofit sector, other organizations face similar trials throughout their respective institutional history, as they encounter both internal and external challenges that have the potential to undermine their mission or threaten their efforts to serve stakeholders. As a result of the nature of the case study's underlying questions focused on the Institute's leadership, funding, legal environment, and strategy for survival, the work stands apart from previous literature regarding its exhibits and interpretation. In this way, it illustrates broader implications for the philanthropic sector as a whole.

The Edison Institute case study suggests three concepts that practitioners should consider when considering how to give their organizations the best chance at survival. These include 1)

diversifying funding, 2) developing a transition or succession plan, and 3) establishing a long-term plan for the organization. Due to the Ford family's influence at the Edison Institute, as well as Ford Foundation, Ford Motor Company, and Ford Motor Company Fund, the Institute became dependent on a series of Ford-related philanthropies, limiting the necessity to diversify its funding beyond these sources. The Tax Reform Act of 1969 served as a catalyst for the Institute's realization of the importance of publically-based support structures, including fundraising, and other professionalized approaches that had been long implemented at similar nonprofit organizations nationally. In spite of the Institute's willingness to utilize a combination of funding sources over time (corporate philanthropy, private foundation grants, private family philanthropy, corporate in-kind giving, and endowment income), the Institute's financial strategy did not utilize a simultaneous combination of these sources with sufficient public support to fulfill government regulations for nonprofit organizations. In some ways, the Institute functions as a unique case study, distinct from the challenges of most present-day organizations, as a direct result of its dependence on the Ford family's philanthropies and strategy that pre-dated modern regulations. However, its later funding strategy that utilized fundraising, in combination with other philanthropic and earned income sources, offers useful insight to organizations regarding the importance of diversifying funding to help ensure an institution's long-term survival.

Professional best practices for nonprofit organizations recommend the development of succession plans and other transition-oriented documents, to assist institutions in navigating periods of leadership change. The Edison Institute reveals the worst-case scenario, in which an institutions' leader (in this case, its founder) did not sufficiently plan for his transition away from the organization. In addition, he left minimal documentation of his vision, purpose, and plan for the Institute, as well as not discussing these ideas with his employees, friends, or family. As a result, the Institute struggled to continue its work after Henry Ford's period of direct influence at the Institute. Only with the introduction of trained professionals who could interpret his views and existing collection in combination with best practices in the museum field could the Institute

develop a strategy that set it on a long-term course toward survival. Present-day practitioners can learn from Henry Ford's mistakes in this regard through proper preparation for changes in board members, executives, and other staff. Through the creation of clear and accessible documentation regarding previous activity, as well as up-to-date mission, vision, and purpose statements, organizations can better maintain their direction and programs through periods of significant transition.

As part of an organization's survival strategy, staff and leaders should be conscious of the institution's long-term prospects. This activity can take the form of strategic planning, environmental analysis, or other practices that raise the organization's awareness of its current state and future direction. As evidenced in the Edison Institute case study, Henry Ford concentrated on his immediate interactions with the organization, rarely making preparations for the Institute's future. After his death, the organization was left without sufficient staffing, purpose-oriented documents, funding, or other means of continuing its work. In essence, Henry Ford served as the brain for the entire organization, never segmenting its responsibilities across separate divisions or utilizing professional expertise from other members of the museum field or nonprofit sector. Without these approaches being utilized, the Institute suffered from an isolated perspective that negatively impacted its future growth. Likewise, the Institute's isolationist policies and continued dependencies on the Ford family directly resulted in it missing key indicators related to the Tax Reform Act of 1969 and best practices in funding and philanthropy that would have prevented the threat to its tax exemption status. In order to prevent threats to present-day organizations, practitioners should develop processes to regularly analyze their internal and external situations, as part of the strategic planning process. As a result, institutions may better prepare for challenges that threaten their survival, while remaining sufficiently agile to address unexpected problems they encounter.

In the Edison Institute case study, challenges that threatened its survival are directly related to the extraordinary influence of Henry Ford, his family, and corporate and philanthropic

institutions. As a result, the case study reveals the long-term implications of Henry Ford's "donor intent," those goals and purposes that he stipulated as part of his gifts to the Edison Institute and related philanthropic institutions. The challenges inherent in his intent for the Institute and Ford Foundation directly impacted these organizations' respective ability to survive beyond his lifetime. While present-day organizations may not encounter the scope and scale of Henry Ford's gifts and influence among their donors, the concept of donor intent functions as a significant challenge throughout the nonprofit sector. Most donors make small enough gifts that do not impact the overall course of an organization's mission or strategy. However, the influence of philanthropic gifts, especially over multiple generations, can influence the direction and operations of an organization.

Henry Ford utilized a significant number of mechanisms to both establish and secure his vision for the Edison Institute and Ford Foundation. These organizations strongly depended on Henry Ford's personal involvement in their creation, resulting in the Ford Foundation providing support directly to the Edison Institute and his other Michigan-based philanthropies. He likely thought his son, Edsel, would ensure the survival of this strategy beyond his lifetime. With Edsel's death, Henry Ford's vision for this relationship between these organizations changed under the influence of his grandsons. Henry Ford's legal mechanisms and documentation for his philanthropic intent did not prove sufficient to carry out his original purposes and operational strategy through multiple generations. Over time, emerging legal regulation and the diversification of the Edison Institute and Ford Foundation boards to include additional generations and other individuals not directly associated with Henry Ford resulted in a gradual movement away from his original intent and toward more professionalized approaches to philanthropy and the museum field.

For donors who wish to see their original intent carried out by organizations beyond their respective lifetime, the Edison Institute raises several points for consideration. Firstly, organizations change over time in order to navigate both internal and external challenges,

resulting in donor intent being reinterpreted under distinct conditions and contexts. In the Edison Institute's present-day organizational form, its mission, vision, and purpose combine Henry Ford's ideas of industrial progress with a modern articulation of innovation that encapsulates a broader view of collecting and influence within the museum field. While one could debate the alignment between the Institute's original vision under Ford and its present-day iteration, the most recent mission and vision accurately represents the evolution of the Institute in order to survive a series of challenges throughout the twentieth century, including significant changes in the nonprofit sector's legal regulation.

Secondly, ensuring a donor's influence over time involves a combination of leadership and resources. In spite of Henry Ford's building the Institute and leading its board and operations for decades, the Institute nearly failed without a clear and outright gift of money to continue its work after his death. Instead, his grandsons' contributions of board leadership and gifts (personal, corporate, and institutional) provided the means through which the Institute survived for much of the twentieth century. Through the ongoing interaction of multiple generations of the Ford family, Henry Ford's vision could be carried out while simultaneously navigating emerging challenges that he could not have anticipated, including the Tax Reform Act of 1969.

Thirdly, a donor's intent can be best carried out by an organization when it is clearly articulated and documented. Without Henry Ford leaving clear and plentiful documentation of his vision and plans for the Edison Institute, other board members and professional administrators could easily change direction of the organization. Likewise, Henry Ford's grandsons could redirect the grantmaking strategy of the Ford Foundation to fund activity outside of its original Michigan and American purposes.

Finally, a donor's intent should be developed in combination with and in the best interest of the nonprofit organization itself. While donors have significant latitude to give to organizations within present-day legal regulations, donations that have the best and most long-term impact are oftentimes those that meet the shared criteria and needs of both the donor and the

organization. In this way, philanthropy serves the public good through the actions of nonprofit organizations, multiplying the impact of any one person's gift through its combined effect with other funders, leaders, and philanthropists. The combined ideas and financial efforts of these parties provide nonprofits with the agility to survive beyond the lifetime and influence of any one donor. As a result, a donor's gift may perpetuate their philanthropic ideas for multiple generations. Successive generations of Henry Ford's family best illustrate this essential piece of donor intent, as they understood the evolving practice and regulation of philanthropic and nonprofit activity. If Henry Ford's philanthropic legacy involved the creation of the Edison Institute, his family's legacy ensured its survival through the inclusion of professionals and the general public, who perpetuate Henry Ford's ideas and organizations through their continued involvement and support.

The Edison Institute case study illustrates significant implications of organizational survival and donor intent on present-day philanthropic organizations. While Henry Ford conceived his vision and intent during the early twentieth century, his museum complex and foundation have survived through the combined efforts of his family, professionals, and the general public. Through a diverse set of strategies and funding sources, the Institute navigated significant internal and external challenges to continue exhibiting American innovation to an ever-growing public audience. In the end, the Edison Institute inspires its visitors, as well as present-day donors, of the extraordinary impact of philanthropic giving on future generations.

The Edison Institute in the Field of Philanthropic Studies

The Edison Institute case study illustrates significant concepts for the study of philanthropy and the nonprofit sector. While the Institute may appear as an unusual case in the field, it directly relates to some of the philanthropic field's most integral facets, including the influence of philanthropy, demand versus supply-side approaches, and the nature of philanthropy and the four sectors in American society.

Within some subsectors of the nonprofit field, the Edison Institute's emphasis on philanthropy and earned income may appear unusual, especially as philanthropy provides only 20 percent of income to the nonprofit sector. However, the revenue mix varies by subsector. Philanthropic support ranks highest among religious organizations (95 percent), arts and cultural organizations (40 percent), and foundations receive 46 percent of their funding from giving.¹¹⁰⁹ In comparison, government support provides approximately 30 percent of nonprofit revenue, with the remaining 50 percent originating from fees and earned income.¹¹¹⁰ As a result, the presence of the Ford's philanthropy to both their foundations and Institute appear consistent with the field.

The Edison Institute also illustrates a different perspective of the nonprofit field and philanthropic activity, as a result of its function as a cultural organization created by the Ford family that largely avoided direct fundraising for much of its history. Demand-side and supply-side theory provides an explanation for the functions of the nonprofit sector, as well as related philanthropic motivations. The demand-side approach to the nonprofit sector emphasizes how nonprofits function to meet the needs of the public.¹¹¹¹ Similarly, the demand-side approach to philanthropy emphasizes the role of people and organizations requesting donations based on an institution's need, particularly through direct fundraising.¹¹¹² Donors are shown to be "hesitant givers," who must be persuaded to give.¹¹¹³ Within this system, donors have a limited budget for

¹¹⁰⁹ Virginia A. Hodgkinson, Kathryn E. Nelson, and Edward D. Sivack, Jr., "Individual Giving and Volunteering," in *The State of Nonprofit America*, ed. Lester M. Salamon (Washington, D.C.: Brookings Institution Press, 2002), 392-393.

¹¹¹⁰ Dennis R. Young and Lester M. Salamon, "Commercialization, Social Ventures, and For-Profit Competition," in *The State of Nonprofit America*, 425.

¹¹¹¹ Peter Frumkin, *On Being Nonprofit: A Conceptual and Policy Primer* (Cambridge: Harvard University Press, 2002), 20.

¹¹¹² Paul G. Schervish, "The Material Horizons of Philanthropy: New Directions for Money and Motives," in *Understanding the Needs of Donors: The Supply Side of Charitable Giving*, New Directions for Philanthropic Fundraising, no. 29., ed. Eugene R. Tempel and Dwight F. Burlingame (San Francisco: Jossey-Bass, Fall 2000), 6; and Paul G. Schervish, "The Spiritual Horizons of Philanthropy: New Directions for Money and Motives," in *Understanding the Needs of Donors: The Supply Side of Charitable Giving*, 18.

¹¹¹³ Schervish, "The Material Horizons of Philanthropy," 6.

charitable activity and must prioritize recipients.¹¹¹⁴ The scholar Paul Schervish describes the demand-side approach within the scolding model, which can be summarized as ““You are not giving (1) enough, (2) to the right causes, (3) at the right time, (4) in the right way.””¹¹¹⁵

In comparison, the supply-side theory of the nonprofit sector presents a perspective of organizations’ growth and development based on the ideas and resources of individuals and groups, such as illustrated through the approach of the Ford family. This theoretical perspective explains how individuals create nonprofits based on agendas that do not necessarily align with public need.¹¹¹⁶ The supply-side approach to philanthropy reveals how donors are motivated to give to charitable causes based on available resources and a personal reason for giving to the public good.¹¹¹⁷ This system allows for donors’ increased capacity over time and the choices they make about where to give, based on their morals and desires to be philanthropic.¹¹¹⁸ In comparison to Schervish’s explanation of demand-side model, the inclination components of the supply-side model may be expressed as, ““Is there something (1) you want to do with your wealth; (2) that fulfills the needs of others; (3) that you can do more efficiently and more effectively than government or commerce; and (4) that expresses your gratitude, brings you satisfaction, and actualizes your identification with the fate of others?””¹¹¹⁹ While the Edison Institute developed a demand-side model in its latter years to encourage public support, the long-time influence of the Ford family aligns with the supply-side model for the Institute’s creation within the sector, as well as their philanthropic giving activity.

Throughout its history, the Edison Institute case study illustrates all four sectors that function within society. The business or market sector (Ford Motor Company) and the

¹¹¹⁴ Ibid., 7.

¹¹¹⁵ Schervish, “The Spiritual Horizons of Philanthropy,” 19.

¹¹¹⁶ Frumkin, *On Being Nonprofit*, 21.

¹¹¹⁷ Schervish, “The Material Horizons of Philanthropy,” 6.

¹¹¹⁸ Ibid., 7.

¹¹¹⁹ Schervish, “The Spiritual Horizons of Philanthropy,” 19.

government sector (seen through tax regulation) serve as two public sectors, while the family (the Fords) functions as a distinct private sector. The nonprofit and voluntary sector (including the Edison Institute and Ford Foundation) is considered to be the third sector, filling an essential gap between the other private and public sectors.¹¹²⁰ Nonprofit scholars Robert Herman and Richard Heimovics argue that organizations within the three primary sectors (excluding family) differ based on the roles of governing leadership, the combination of revenue sources, and their use of voluntary personnel for the provision of services.¹¹²¹ The government sector uses public actors to produce public goods, primarily through the use of widespread power. In comparison, the business sector employs private individuals, serving a private good, to produce and utilize wealth.¹¹²² Within the three sector system, philanthropy (including the legally-defined nonprofit sector) involves the private actors common to the business sector, producing public goods commonly associated with the government sector.¹¹²³ As revealed in the Edison Institute case study, these three sectors continually interact, resulting in both partnerships and competition between them, complicating the designations between these sectors' institutions and activity.¹¹²⁴

According to economists, a “public good” fulfills two conditions, including (1) the cost of the good remaining the same for one person as it would be to provide it to many individuals, allowing multiple people to enjoy the “public good” simultaneously and (2) the good cannot be prevented from reaching more than the original recipient (the “exclusion principle”).¹¹²⁵

Nonprofit organizations offer public goods when certain groups seek more public benefits than the government provides to the median voter, while also being willing to pay for the additional

¹¹²⁰ Robert L. Payton and Michael P. Moody, *Understanding Philanthropy: Its Meaning and Mission* (Bloomington: Indiana University Press, 2008), 11.

¹¹²¹ Robert D. Herman and Richard D. Heimovics. “The Effective Nonprofit Executive: Leader of the Board,” *Nonprofit Management and Leadership* 1, no. 2 (Winter 1990): 167.

¹¹²² Payton, *Understanding Philanthropy*, 49.

¹¹²³ *Ibid.*, 49-50.

¹¹²⁴ *Ibid.*, 51.

¹¹²⁵ William G. Bowen and others, *The Charitable Nonprofits: An Analysis of Institutional Dynamics and Characteristics* (San Francisco: Jossey-Bass Publishers, 1994), 129.

expense.¹¹²⁶ In comparison, private goods are those that are designed for the benefit of an identifiable group. These individuals can be charged a fee directly, rather than allowing the costs to be absorbed by the public at large.¹¹²⁷ Most nonprofit organizations produce a mixture of public and private goods.¹¹²⁸ The arts are particularly known for producing mixed goods, which have a combination of excludable (and non-excludable) and rival (and non-rival) components that would typically be categorized as private and public goods respectively.¹¹²⁹ Based on cost-disease theory, arts and cultural nonprofits require subsidies to provide for the rising costs of their unique personnel and relatively stable revenues. In their provision of “collective consumption goods,” attendees only pay for the costs of their individual cultural experience without accounting for the collective value of cultural benefits or other “positive externalities” in their community.¹¹³⁰ Philanthropic gifts oftentimes fund the required subsidies for arts organizations to produce mixed goods.¹¹³¹ These theories explain how the Edison Institute’s visitors often inaccurately perceived the value of their admission, as a direct result of the long-time influence of the Ford’s philanthropy in masking the real costs of the Edison Institute.

Philanthropy, broadly defined, functions beyond the scope of formal nonprofit institutions. Philanthropic activity emerges in the fourth sector, referred to as the “informal sector,” based on the provision of services by family members and friends toward individuals.¹¹³²

¹¹²⁶ Paul J. Dimaggio, Janet A. Weiss, and Charles T. Clotfelter, “Data to Support Scholarship on Nonprofit Organizations: An Introduction,” *American Behavioral Scientist* 45, no. 10 (June 2002): 1476.

¹¹²⁷ Jed I. Bergman, *Managing Change in the Nonprofit Sector: Lessons from the Evolution of Five Independent Research Libraries* (San Francisco: Jossey-Bass Publishers, 1996), xviii.

¹¹²⁸ *Ibid.*, xviii.

¹¹²⁹ Paul Dimaggio, “Nonprofit Organizations and the Intersectoral Division of Labor in the Arts,” in *The Non-Profit Sector: A Research Handbook*, 2nd ed., ed. Walter W. Powell and Richard Steinberg (New Haven: Yale University Press, 2006), 437.

¹¹³⁰ *Ibid.*, 437; and Dennis R. Young, “Nonprofit Finance: Developing Nonprofit Resources,” in *The Jossey-Bass Handbook of Nonprofit Leadership*, 3rd ed., ed. David O. Renz and Associates (San Francisco: Jossey-Bass, 2010), 486.

¹¹³¹ Dimaggio, “Nonprofit Organizations and the Intersectoral Division of Labor in the Arts,” *The Non-Profit Sector: A Research Handbook*, 434, 437.

¹¹³² Jeremy Kendall, Martin Knapp, and Julien Forder, “Social Care and the Nonprofit Sector in the Western Developed World,” in *The Non-Profit Sector: Research Handbook*, 417.

The informal sector depends upon an unofficial economy of cash payments, non-monetary interactions, and mutually-based support networks that are oftentimes unfunded.¹¹³³ Many scholars consider the family to serve as the “essential basic unit of society.”¹¹³⁴ Philanthropy has attempted to protect and preserve the family unit to prevent the destruction of society.¹¹³⁵ The Ford family’s influence at the Edison Institute reveals the incredible role of families as a distinct and essential part of society, ensuring the success of the other three sectors. Through their philanthropy, the Ford family created the Institute and Ford Foundation, impacted tax regulation for the sector, and established the Ford Motor Company, illustrating the profound relationships between the sectors. This case study reveals the importance of future research on the interconnections between the sectors, in order to further scholarship on the field of philanthropic studies and the nonprofit sector.

The Edison Institute’s history reveals the profound impact of philanthropy as a significant component of cultural organizations’ funding. Through the influence of significant donors, such as the Ford family, these institutions function within the supply-side approach to the nonprofit sector and philanthropic activity. In the end, the Edison Institute reveals the necessity for scholars to study these organizations within the context of four distinct and interacting sectors in society, as the Ford family’s influence across sectors profoundly impacted the Institute’s development and survival throughout the twentieth century.

Conclusion

From the days of the Great Depression to the congressional hearings for the Tax Reform Act of 1969 and beyond, Henry Ford’s philanthropic legacy at the Edison Institute has endured. Through the tireless efforts of generations of staff and the Ford family, the organization survived

¹¹³³ Ibid.

¹¹³⁴ Thomas Adam, *Buying Respectability: Philanthropy and Urban Society in Transnational Perspective, 1840s to 1930s* (Bloomington: Indiana University Press, 2009), 39.

¹¹³⁵ Ibid., 39.

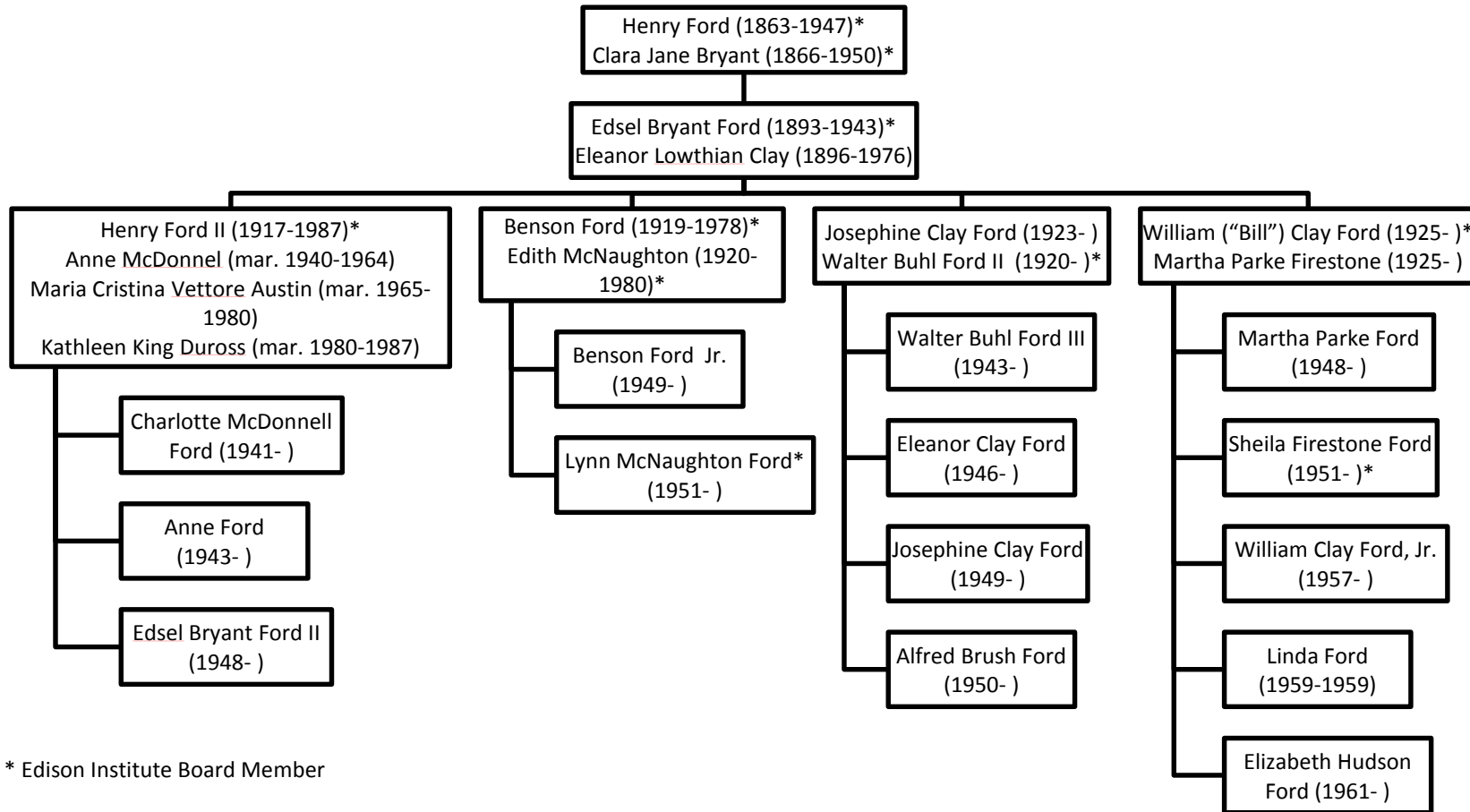
leadership transitions, restructured funding strategies, and fluctuating legal regulations to exhibit Henry Ford's collections at the Edison Institute. Over time, the Institute continued to seek a sustainable management and funding structure that ensured its survival, regardless of internal and external challenges.

Henry Ford's founding philanthropic actions developed a tradition of Ford family support and Ford Motor Company involvement that established an impressive foundation for the Institute's future growth. However, his death and the deaths of the first two generations of his family threatened the Institute's survival, undermining the funding structure he created, which depended on his personal giving and later the Ford Foundation. In turn, the Ford Motor Company and its Fund became increasingly essential to the next generation of growth and activity, particularly in the face of evolving legal challenges. Throughout the congressional debates related to the Tax Reform Act of 1969, the Institute defended its relationship with the Fords, while determining new means to diversify its funding and increase its level of public support. Eventually, the Institute developed a new professionalized strategy that depended upon modernized fundraising and a broad donor base, decreasing its overall dependence on Ford-related leadership and funding.

Altogether, the Edison Institute's history encapsulates the evolution of American philanthropy and its regulation during the twentieth century, through the perspective of a significant nonprofit organization and its network of funders. Throughout the twentieth century, the Ford family and their professional colleagues served as essential leaders for the Institute, who sought to perpetuate Henry Ford's vision while navigating emerging challenges inherent to philanthropic organizations of the period. As a result, the Edison Institute discovered a road to a more sustainable future, ensuring that Henry Ford's legacy is preserved and shared with future generations.

APPENDICES

Appendix A: Ford Family Tree – Four Generations¹¹³⁶

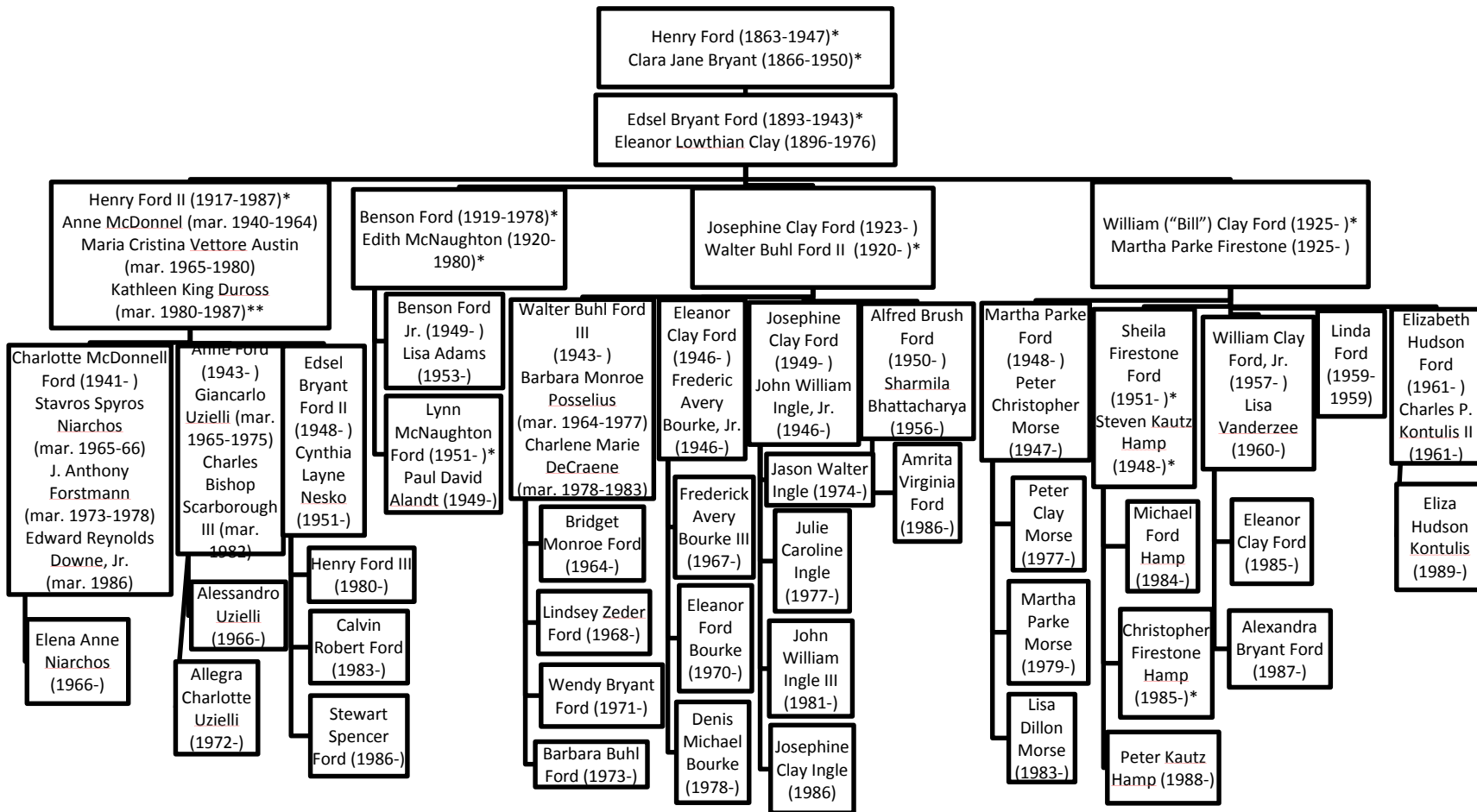


* Edison Institute Board Member

¹¹³⁶ Compiled from Geoffrey C. Upward, ed., *A Home for Our Heritage: The Building and Growth of Greenfield Village and Henry Ford Museum, 1929-1979* (Dearborn, MI: The Henry Ford Museum Press, 1979), 176; Jeanine Head Miller and others, *Telling America's Story: A History of the Henry Ford*, ed. Judith E. Endelman and Wendy Metros (Virginia Beach, VA: Donning Company Publishers, 2010), 175, 209; and Walter Hayes, *Henry: A Life of Henry Ford II* (New York: Grove Weidenfeld, 1990), 268-272.

Appendix B: Ford Family Tree – Five Generations¹¹³⁷

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* Edison Institute Board Member

**Ford spouse had children from another marriage.

¹¹³⁷ Compiled from Geoffrey C. Upward, ed., *A Home for Our Heritage: The Building and Growth of Greenfield Village and Henry Ford Museum, 1929-1979* (Dearborn, MI: The Henry Ford Museum Press, 1979), 176; Jeanine Head Miller and others, *Telling America's Story: A History of the Henry Ford*, ed. Judith E. Endelman and Wendy Metros (Virginia Beach, VA: Donning Company Publishers, 2010), 175, 209; and Walter Hayes, *Henry: A Life of Henry Ford II* (New York: Grove Weidenfeld, 1990), 268-272.

Appendix C: Map of Edison Institute Property¹¹³⁸



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An interactive map of the Edison Institute property, nearby Ford Motor Company properties, Village Road, Henry Ford's Fair Lane Estate, and Ford Foundation facilities is available at:

<http://maps.google.com/maps/ms?ie=UTF8&hl=en&oe=UTF8&msa=0&msid=201350003472173000419.0004c6af65334c70516dc>

¹¹³⁸ See 1927 map for additional information in Jeanine Head Miller and others, *Telling America's Story: A History of the Henry Ford*, ed. Judith E. Endelman and Wendy Metros (Virginia Beach, VA: Donning Company Publishers, 2010), 35.

Appendix D: Ford Foundation Contributions to the Edison Institute (1936-1951)

	Annual Contribution¹¹³⁹	Total Contributed¹¹⁴⁰	Average of Total Annual Contributions¹¹⁴¹
1936	\$935,000	\$935,000	\$935,000
1937	\$1,025,000	\$1,960,000	\$980,000
1938 ¹¹⁴²	\$775,000	\$2,735,000	\$911,667
1939	\$742,500	\$3,477,500	\$869,375
1940	\$955,000	\$4,432,500	\$886,500
1941	\$1,135,000	\$5,567,500	\$927,917
1942	\$1,030,000	\$6,597,500	\$942,500
1943	\$725,000	\$7,322,500	\$915,313
1944	\$850,000	\$8,172,500	\$908,056
1945	\$1,200,000	\$9,372,500	\$937,250
1946	\$750,000	\$10,122,500	\$920,227
1947	\$630,000	\$10,752,500	\$896,042
1948	\$950,000	\$11,702,500	\$900,192
1949	\$1,150,000	\$12,852,500	\$918,036
1950	\$1,000,000	\$13,852,500	\$923,500
1951	\$5,072,221	\$18,924,721	\$1,182,795
	\$18,924,721 ¹¹⁴³		

¹¹³⁹ “Ford Foundation Contributions,” Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029; and “List of Contributors,” Folder – Henry Ford, General, Ford Foundation, 1945, Campsall Files, Box 6, Accession 587, Office of Henry and Clara Ford Estate Records, Benson Ford Research Center.

¹¹⁴⁰ Calculated from “Ford Foundation Contributions,” Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216; and “List of Contributors,” Folder – Henry Ford, General, Ford Foundation, 1945, Campsall Files, Box 6, Acc. #587.

¹¹⁴¹ Calculated from Ibid.

¹¹⁴² The exact amounts for the years 1938 and 1939 vary in the Ford Foundation’s records to be shown as \$845,000 and \$672,500 respectively. “The Edison Institute,” Marcia Thompson, Ford Foundation Records Center, 9 May 1966, The Edison Institute, Ford Foundation Grant 36-234, Reel 1191, Ford Foundation records, Rockefeller Archive Center, 2.

¹¹⁴³ The Ford Foundation reports this total as \$18,925,026, as of 1957, in addition to a \$25,000 grant to the Wayside Inn. See “The Ford Foundation and the State of Michigan: A Report of Grants to Organizations and Individuals in Michigan from 1936 to June 30, 1957, The Ford Foundation, New York City, New York,” Folder – Michigan, Box 5, Accession 923, Ford Foundation collection, Benson Ford Research Center.

Appendix E: Ford Motor Company Fund Gifts to the Edison Institute (1951-1974)

	Annual Contribution¹¹⁴⁴	Special Grants	Total Contributed¹¹⁴⁵	Average of Total Annual Contributions¹¹⁴⁶
1951	\$750,000		\$750,000	\$750,000
1952 ¹¹⁴⁷	\$200,000		\$950,000	\$475,000
1952-1953*	\$675,000		\$1,625,000	\$541,666.67
1953-1954	\$460,000	\$173,600 ¹¹⁴⁸	\$2,085,000	\$521,250
1954-1955	\$460,000		\$2,545,000	\$509,000
1955-1956	\$425,000		\$2,970,000	\$495,000
1956-1957	\$345,000		\$3,315,000	\$473,571
1957-1958	\$345,000		\$3,660,000	\$457,500
1958-1959	\$345,000	\$58,800	\$4,005,000	\$445,000
1959-1960	\$345,000		\$4,350,000	\$435,000
1960-1961	\$345,000		\$4,695,000	\$426,818
1961-1962	\$345,000		\$5,040,000	\$420,000
1962-1963	\$375,000		\$5,415,000	\$416,538

¹¹⁴⁴ “Ford Motor Company Fund,” Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029; “Ford Motor Company Fund,” 25 May 1961, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216; Letters between the Edison Institute and the Ford Motor Company Fund, 1951-1968, Folder - Fund Requests – GV from FMC – 1951-1959, 1960, 1965-1966, Box 1, Donald Shelley Papers, E.I. #216; and Ford Motor Company Fund (Michigan), Return of Organization/Foundation Exempt from Income Tax, Calendar Years 1950, 1953, 1956-1957, 1960, 1962-1974, The Foundation Center Historical Foundation Collection, Ruth Lilly Special Collections and Archives, University Library, Indiana University-Purdue University Indianapolis, 755 West Michigan St., Indianapolis, Indiana 46202-5195..

¹¹⁴⁵ These totals do not include special grants.

¹¹⁴⁶ These totals do not include special grants.

¹¹⁴⁷ 1952 included an interim period that bridged the change of the Edison Institute’s fiscal year from the calendar to a fiscal year (April 1 to March 31). Staff indicated this change based on the inclusion of bridged years in their documents. See Edison Institute Request for a Grant of \$200,000 from the Ford Fund, Folder – Fund Requests –GV from FMC – 1951-1959, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029.

¹¹⁴⁸ This special grant from the Ford Motor Company Fund provided for protective maintenance and rehabilitation projects at the Edison Institute. See Edison Institute Request for a Grant of \$200,000 from the Ford Fund, Folder – Fund Requests –GV from FMC – 1951-1959, Box 1, Donald Shelley Papers, E.I. #216, 3; and Memorandum Re: Contribution to the Edison Institute to Board of Trustees (Ford Motor Company Fund) from Allen W. Merrell (Chairman, Operations Committee), 21 January 1954, Special Grant: Committee Folder, Reports on Collections, Greenfield Village, Wallpaper, Furniture, Box 6, Accession #67, Edison Institute Collection, Benson Ford Research Center.

1963-1964	\$345,000		\$5,760,000	\$411,429
1964-1965*	\$345,000		\$6,105,000	\$407,000
1965-1966	\$210,000		\$6,315,000	\$394,688
1966-1967	\$220,000		\$6,535,000	\$384,412
1967-1968	\$360,000		\$6,895,000	\$383,056
1968-1969	\$4,000,000		\$10,895,000	\$573,421
1969-1970	\$4,000,000		\$14,895,000	\$744,750
1970-1971	\$4,000,000		\$18,895,000	\$899,762
1971-1972	\$4,000,000		\$22,895,000	\$1,040,682
1972-1973	\$0		\$22,895,000	\$1,040,682
1973-1974	\$4,000,000		\$26,895,000	\$1,169,348
Total	\$26,895,000			

* Designates years in which sources contradict the exact amounts given by the Ford Motor Company Fund to the Edison Institute. These discrepancies in exact amounts vary between sources, including between requests for funds from the Edison Institute and documentation confirming funds sent from the Ford Motor Company Fund. In 1964-65, several sources indicate the Ford Motor Company contributed \$285,000 instead of \$345,000. However, due to differences in fiscal year reporting, variations persist between sources originating from the Edison Institute and Ford Motor Company personnel.¹¹⁴⁹

¹¹⁴⁹ Ford Motor Company Fund (Michigan), Return of Organization/Foundation Exempt from Income Tax, Calendar Years 1950, 1953, 1956-1957, 1960, 1962-1974, The Foundation Center Historical Foundation Collection.

Appendix F: Ford Motor Company In-Kind Support (1951-1979)

	Amount of Donated Services and Materials ¹¹⁵⁰	Amount Requested of Ford Motor Company ¹¹⁵¹	Special In-Kind Support	Total Contributed <small>1152</small>	Average of Total Annual Contributions <small>1153</small>
1951-1952 ¹¹⁵⁴	\$189,973.99	\$125,000.00		\$189,973.99	\$189,973.99
1953	\$122,986.62	\$115,000.00		\$312,960.61	\$156,480.31
1954	\$117,448.66	\$120,000.00	\$616,750 (34.87 acres - Dequindre property)	\$430,409.27	\$143,469.76
1955	\$112,601.08	\$120,000.00		\$543,010.35	\$135,752.59
1956	\$123,159.22	\$120,000.00	\$14,993.88 (Exhibits); \$6,108.22 (Equipment)	\$666,169.57	\$133,233.91
1957	\$136,857.20	\$125,000.00	\$3,528.18 (Exhibits); \$13,819.85 (Equipment)	\$803,026.77	\$133,837.80
1958	\$101,969.00	\$125,000.00	\$5,840.00 (Exhibits);	\$904,995.77	\$129,285.11

¹¹⁵⁰ These annual amounts represent those donations of services and materials recorded by Edison Institute staff and made by the Ford Motor Company. See Contributions Committee (Ford Motor Company), "Donated Services and Materials," 1979?, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029; and Statement of Sources and Applications of Funds, 23 April 1953, Folder – Annual Meeting: April 24, 1953, Box 10, Frank Caddy Executive Files, Accession #57, Edison Institute Collection, Benson Ford Research Center.

¹¹⁵¹ These values indicate the annual amount the Edison Institute requested of the Ford Motor Company, particularly to cover heat, power, water, roads, fire, and misc. expenses. This correspondence typically involved members of the Ford Motor Company, Ford Motor Company Contributions Committee, or Ford Motor Company Executive Committee. See Letters between Edison Institute and Ford Motor Company (Fund, Executive Committee, Contributions Committee), 1953-1973, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216; and Memorandum, 15 April 1952, "Minutes of Contributions Committee Meeting – April 14, 1952," Folder – Ford Motor Company Operations Committee: Ford Motor Company Fund, Contributions Committee, L. W. Smead, Box 1, Accession 577, L. W. Smead, Benson Ford Research Center.

¹¹⁵² These totals do not include special grants.

¹¹⁵³ These totals do not include special grants.

¹¹⁵⁴ This fiscal year included approximately 15 months of financial activity and contributions. See Statement of Sources and Applications of Funds, 23 April 1953, Folder – Annual Meeting: April 24, 1953, Box 10, Frank Caddy Executive Files, E.I. #57.

			\$1,782.00 (Equipment)		
1959	\$105,500.00	\$110,000.00		\$1,010,495.77	\$126,311.97
1960	\$114,000.00	\$110,000.00		\$1,124,495.77	\$124,943.97
1961	\$116,500.00	\$115,000.00	\$109,900.00 (Washington Carver Lab)	\$1,240,995.77	\$124,099.58
1962	\$121,800.00	\$115,000.00		\$1,362,795.77	\$123,890.52
1963	\$139,000.00	\$125,000.00		\$1,501,795.77	\$125,149.65
1964	\$130,000.00	\$136,000.00		\$1,631,795.77	\$125,522.75
1965	\$130,000.00	\$130,000.00		\$1,761,795.77	\$125,842.56
1966	\$120,000.00	\$120,000.00		\$1,881,795.77	\$125,453.05
1967	\$120,000.00	\$120,000.00		\$2,001,795.77	\$125,112.24
1968	\$120,000.00	\$120,000.00		\$2,121,795.77	\$124,811.52
1969	\$120,000.00	\$120,000.00		\$2,241,795.77	\$124,544.21
1970				\$2,241,795.77	\$124,544.21
1971	\$50,000.00	\$50,000.00	Intended for Institute's restaurant and orientation/sales facility	\$2,291,795.77	\$120,620.83
1972				\$2,291,795.77	\$120,620.83
1973	\$50,000.00	\$50,000.00	Services by Plant Engineering Offices	\$2,341,795.77	\$117,089.79
1979	\$92,721.00			\$2,434,516.77	\$115,929.37
Total	\$2,434,516.77	\$2,146,000 ¹¹⁵⁵			

¹¹⁵⁵ This total represents the sum of the Edison Institute's formal requests to the Ford Motor Company for services and materials between 1953 and 1973. These requests do not include documentation for a 1979 request, which may provide for the significant difference between the two total amounts. See Letters between Edison Institute and Ford Motor Company (Fund, Executive Committee, Contributions Committee), 1953-1973, Folder – FMC-Contributions, Donated Services, Box 1, Donald Shelley Papers, E.I. #216.

Appendix G: Comparison Between American Museums (1951-1961)

	Staff¹¹⁵⁶	Attendance	Endowment	\$ per Staff¹¹⁵⁷	\$ per Attendee
<i>Metropolitan Museum of Art</i>	950	5,000,000	\$140,000,000	\$147,368.42	\$28.00
<i>Colonial Williamsburg</i>	1800	443,000	\$47,000,000	\$26,111.11	\$106.09
<i>Winterthur Museum</i>	104	30,000	\$30,000,000	\$288,461.54	\$1,000.00
<i>Edison Institute</i>	230	1,011,000	\$12,000,000	\$52,173.91	\$11.87

¹¹⁵⁶ Compiled based on “Ford Motor Company Fund Presentation” by The Edison Institute, 1961, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029; and The Edison Institute, “Discussion,” 1965?, Folder – Fund Requests –GV from FMC– 1965-66, Box 1, Donald Shelley Papers, E.I. #216.

¹¹⁵⁷ Table columns for \$ per Staff and \$ per Visitor are calculated based on numbers included in this table. These provide units for comparison between the institutions, as developed by the author from research conducted by Edison Institute staff during the 1950s and 1960s. See “Ford Motor Company Fund Presentation” by The Edison Institute, 1961, Folder – Fund Requests –GV from FMC – 1960, Box 1, Donald Shelley Papers, E.I. #216; and The Edison Institute, “Discussion,” 1965?, Folder – Fund Requests –GV from FMC–1965-66, Box 1, Donald Shelley Papers, E.I. #216.

Appendix H: Ford Motor Company Total Charitable Activity (1950-1980)¹¹⁵⁸

	Ford Motor Company Total Donations	Donation to Ford Motor Company Fund	Ford Motor Company Fund Total Donations	Donations to Education	Donations to Health, Welfare, and General	Donations to Edison Institute	Donations to Community Funds
1950	\$9,169,000	\$9,000,000	\$3,369,000	\$2,244,000	\$1,125,000		
1951	\$5,749,000	\$5,002,000				\$750,000	\$425,508
1952	\$6,500,000	\$6,100,000		\$1,600,000	\$918,000	\$875,000	\$582,000
1953	\$12,000,000		\$3,707,000	\$733,000		\$1,900,000 (property)	\$670,000
1954		\$0					
1955	\$7,200,000	\$3,000,000				\$3,100,000	\$850,788
1956				\$6,500,000			
1957				\$200,000			\$950,000
1958							\$950,000
1959		\$10,000,000	\$7,300,000	\$4,540,000	\$2,270,000		
1960		\$6,000,000	\$3,500,000				
1961	\$7,600,000	\$6,000,000	\$4,400,000				

¹¹⁵⁸ Compiled from data reported in Ford Motor Company Annual Reports, 1950-1980, Boxes 1-3, Annual Reports (Ford Motor Company), Ford Motor Company Serials Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029; and Ford Motor Company Annual Reports, 1953-1954, 1956-1958, Accession AR-65-92: Annual Reports Collection, Ford Motor Company Archives. Special thanks to Bob Kreipke and Ford Motor Company for making several of the early annual reports accessible specifically for this project.

<i>1962</i>	\$12,000,000	\$10,000,000	\$5,400,000				
<i>1963</i>	\$11,000,000	\$10,000,000	\$6,500,000	\$2,800,000			\$1,200,000
<i>1964</i>		\$10,400,000			\$600,000	\$4,400,000	
<i>1965</i>	\$11,000,000	\$10,000,000					
<i>1966</i>		\$0					
<i>1967</i>		\$0					
<i>1968</i>	\$11,400,000	\$10,000,000					
<i>1969</i>	\$12,400,000	\$10,000,000					
<i>1970</i>	\$5,800,000	\$4,000,000	\$11,500,000			\$4,000,000	
<i>1971</i>	\$9,000,000	\$6,000,000	\$11,400,000				
<i>1972</i>	\$25,000,000	\$20,000,000	\$11,700,000				
<i>1973</i>	\$17,000,000	\$10,000,000	\$12,000,000				
<i>1974</i>	\$5,300,000	\$0	\$8,200,000				
<i>1975</i>	\$2,300,000	\$0	\$6,700,000				
<i>1976</i>	\$12,900,000	\$10,000,000	\$7,500,000				
<i>1977</i>	\$23,400,000	\$20,000,000	\$11,500,000				
<i>1978</i>	\$33,700,000	\$30,000,000	\$10,800,000				
<i>1979</i>	\$4,000,000	\$0	\$13,200,000				
<i>1980</i>	\$2,900,000	\$0	\$11,500,000				
Total	\$247,318,000	\$205,502,000	\$150,176,000				

Appendix I: Ford Foundation and Ford Motor Company Fund Grants to the Edison Institute (1969-1974)

	Ford Foundation Grant Amounts¹¹⁵⁹	Foundation Remaining Grant Funds	Ford Motor Company Fund Grant Amounts¹¹⁶⁰	Ford Motor Company Fund Remaining Grant Amount	Grand Total 1968-1973 Grants
1968	\$0	\$0	\$4,000,000	\$16,000,000	\$4,000,000
1969	\$4,000,030	\$15,999,970	\$4,000,000	\$12,000,000	\$8,000,030
1970	\$3,999,985	\$11,999,985	\$4,000,000	\$8,000,000	\$7,999,985
1971	\$4,000,000	\$7,999,985	\$4,000,000	\$4,000,000	\$8,000,000
1972	\$3,999,995	\$3,999,990	\$0	\$4,000,000	\$3,999,995
1973	\$3,999,990 ¹¹⁶¹	\$0	\$4,000,000	\$0	\$7,999,990
Total Grant Dollars	\$20,000,000		\$20,000,000		\$40,000,000

¹¹⁵⁹ “The Ford Foundation: Annual Report 1969,” *Ford Foundation, Finances 1967, Reports 1968-1969*, The Foundation Center Historical Foundation Collection, Ruth Lilly Special Collections and Archives, University Library, Indiana University-Purdue University Indianapolis, 755 West Michigan St., Indianapolis, Indiana 46202-5195, 154; “The Ford Foundation: Annual Report 1970,” *Ford Foundation, Statement of Investments 1970-1973, Reports 1970-1973*, The Foundation Center Historical Foundation Collection, 83; “The Ford Foundation: Annual Report 1971,” *Ford Foundation, Statement of Investments 1970-1973, Reports 1970-1973*, The Foundation Center Historical Foundation Collection, 89; “The Ford Foundation: Annual Report 1972,” *Ford Foundation, Statement of Investments 1970-1973, Reports 1970-1973*, The Foundation Center Historical Foundation Collection, 79; and “The Ford Foundation: Annual Report 1973,” *Ford Foundation, Statement of Investments 1970-1973, Reports 1970-1973*, The Foundation Center Historical Foundation Collection, 79.

¹¹⁶⁰ The Ford Motor Company Fund amounts are recorded based on fiscal years, so that the \$4 million grant to the Edison Institute includes an additional \$310,000 indicated in the tax returns, based on Fund gifts to the Institute earlier that year. Ford Motor Company Fund (Michigan), Return of Organization/Foundation Exempt from Income Tax, Calendar Years 1950, 1953, 1956-1957, 1960, 1962-1974, The Foundation Center Historical Foundation Collection.

¹¹⁶¹ The Ford Foundation delayed its final grant payment from fiscal year 1973 to fiscal year 1974. Letter Re: The Edison Institute to Fred King (Staff Attorney, Ford Motor Company) from Mark K. Wilson (Hill, Lewis, Adams, Goodrich and Tait – Detroit, Michigan), 16 January 1973, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029.

Appendix J: Edison Institute and the Exempt Purposes Test

Fiscal Year (Ending March 31)	Public Support (Estimated past 1972)¹¹⁶²	Four-Year Averages	Gross Receipts from Exempt Purposes Test - Excluding Ford Foundation Grant¹¹⁶³	Gross Receipts from Exempt Purposes Test - Including Ford Foundation Grant
1966	\$2,485,000			
1967	\$2,944,000			
1968	\$2,762,000			
1969	\$2,874,000	\$11,065,000	54.3%	54.3%
1970	\$3,282,000	\$11,862,000	46.3%	40.1%
1971	\$3,474,000	\$12,392,000	40.4%	29.0%*
1972	\$3,820,000	\$13,450,000	36.8%	25.6%*
1973	\$4,557,000	\$15,133,000	38.3%	25.4%*
1974	\$4,971,000	\$16,882,000	44.0%	31.0%*
1975	\$6,196,000	\$19,544,000	51.9%	42.8%
1976	\$7,328,000	\$23,052,000	64.6%	58.8%
1977	\$8,546,000	\$27,041,000	72.9%	72.9%
1978	\$9,205,000	\$31,275,000	76.6%	76.6%
1979	\$10,404,000	\$35,483,000	79.7%	79.7%

* Includes years of the Ford Foundation grant.

¹¹⁶² Edison Institute Public Support, 1966-1979, Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029.

¹¹⁶³ “The Edison Institute, Estimated Sources of Support for Four-Year-Periods, Fiscal Years Ending March 31, 1966 through March 31, 1979,” Folder – Ford Foundation Grant – 1969, Box 1, Donald Shelley Papers, E.I. #216.

Appendix K: Comparing Institutional Attendance (1971-1972)

<i>Institution</i> ¹¹⁶⁴	1972	1971	Increase From 1971 to 1972	Percentage of 1972 EI Attendance ¹¹⁶⁵
<i>Edison Institute</i>	1,610,855	1,547,589	4.1%	100.0%
<i>Colonial Williamsburg</i>	929,473	890,806	4.3%	57.7%
<i>Old Sturbridge Village</i>	664,434	646,373	2.8%	41.2%
<i>Mystic Seaport</i>	490,597	485,039	1.1%	30.5%
<i>Jamestown Festival Park</i>	446,400	449,317	-0.6%	27.7%
<i>Plimouth Plantation</i>	408,878	400,510	2.1%	25.4%
<i>Forts Mackinac and Michilimackinac</i>	385,074	460,567	-17.1%	23.9%
<i>Farmers' Museum (New York State Historical Association)</i>	203,341	207,346	-1.9%	12.6%
<i>Shelburne Museum</i>	138,741	132,931	4.4%	8.6%

¹¹⁶⁴ Condensed list of relevant institutions included in the original document. See Exhibit I: “Museum Attendance Comparisons, 1971-1972,” in “The Edison Institute: A Report of Progress,” March 1973, Folder – Ford Foundation 1973 E.I. Report, Box 1, Donald Shelley Papers, Accession #216, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029.

¹¹⁶⁵ Calculated numbers based on Ibid.

Appendix L: Edison Institute Financial Data regarding Development, Membership, and Endowment Income (1977-2010)¹¹⁶⁶

(000 omitted)

<i>Calendar Year</i>	<i>Total Operating Revenues</i>	<i>Development Income¹¹⁶⁷</i>	<i>Total Operating Expenses</i>	<i>Total Operating (Deficit)</i>	<i>Endowment Income¹¹⁶⁸</i>	<i>Net Operating Fund Excess (Deficit)¹¹⁶⁹</i>
1977	\$8,110	\$223	\$11,276	(\$3,166)	\$3,434	
1978	9,048	264	12,170	(3,122)	3,829	
1979	9,836	333	13,851	(4,015)	4,377	
1980	13,658	524	14,588	(931)	-----	
1981	10,808	732	14,416	(3,608)	2,493	\$(1,667)
1982	10,390	887	14,093	(3,703)	1,651	(2,052)
1983	11,495	1,119	14,389	(2,894)	3,043	250
1984	12,184	1,070	14,685	(2,501)	3,306	805
1985	12,772	1,151	15,659	(2,887)	3,241	354
1986	13,402	1,138	16,401	(2,999)	3,350	351
1987	14,480	1,229	17,613	(3,133)	3,339	206
1988	16,653	1,942	19,075	(2,442)	3,656	1,143
1989	23,744	2,946	21,577	2,167		
1990	24,032	3,785	24,399	(367)		
1991	23,712	4,239	23,824	(112)	4,532	
1992	20,537	1,865	25,216	(4,679)	5,249	570
1993	19,140	2,843	22,840	(3,700)	4,850	1,150
1994	20,220	1,905	24,455	(4,235)	4,964	729
1995	23,838	4,664	28,950	(5,112)	5,498	386
1996	22,652	2,768	29,010	(6,358)	6,424	66

¹¹⁶⁶ Compiled data from Annual Reports of The Edison Institute, 1977-2010, Accession #110, Edison Institute Collection, Benson Ford Research Center, The Henry Ford, 20900 Oakwood Blvd., Dearborn, Michigan 48124-5029.

¹¹⁶⁷ Includes both membership and contribution totals for most years.

¹¹⁶⁸ These values vary between annual reports that indicate multiple years.

¹¹⁶⁹ As indicated in available annual reports. Later reports indicate capital investments, which are not included in this category.

1997	25,825	2,399	32,291	(6,466)	7,489	1,023
1998	31,600	6,875	40,500	(8,900)	9,100	200
1999	24,404	4,681	32,843	(8,439)	9,775	1,336
2000	32,220	5,696	41,137	(8,917)	11,360	2,443
2001	28,907	5,595	40,647	(11,740)	11,572	(168)
2002	29,724	6,247	40,421	(10,697)	11,311	614
2003	36,338	8,378	44,401	(8,063)	10,930	2,867
2004	43,545	8,068	52,136	(8,591)	10,379	1,788
2005	36,848	8,239	47,983	(11,135)	11,154	19
2006	40,900	8,481	51,940	(11,040)	12,701	1,661
2007	37,008	8,017	48,123	(11,115)	13,851	2,736
2008	37,925	8,094	50,578	(12,653)	14,337	1,684
2009	37,346	8,496	49,538	(12,192)	14,292	2,100
2010	36,672	8,144	50,292	(13,620)	14,142	522
<i>Total¹¹⁷⁰</i>	799,973	133,037	1,001,317	(201,365)	229,629	21,116

¹¹⁷⁰ Calculated based on available annual report data. See Annual Reports of The Edison Institute, 1977-2010, E.I. #110.

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Hartford, CT (November 22, 2013)

“The Ecology of Internal Fundraising and Giving at Indiana University”
Session co-presented with Genevieve Shaker (IUPUI) and Victor Borden (IU)
Association for the Study of Higher Education (ASHE) Conference – St. Louis, MO
(November 16, 2013)

“Who Gives and How Much?: Faculty and Staff Giving and Fundraising at IU”
Co-presented with Genevieve Shaker (IUPUI) and Victor Borden (IU)
Indiana University Foundation, Regional Advancement Council Meeting – Bloomington, IN
(September 26, 2013)

“Sustaining Henry Ford’s Philanthropic Legacy at The Henry Ford”
Staff Learning Lunch,
The Henry Ford – Dearborn, MI (May 23, 2013)

“*Personal and Positional Predictors of Faculty and Staff Giving*”
Session co-presented with Genevieve Shaker (IUPUI) and Victor Borden (IU)
Association for Institutional Research (AIR) Conference – Long Beach, CA (May 21, 2013)

“*Predicting Faculty and Staff Giving at Indiana University*”
Session co-presented with Genevieve Shaker (IUPUI) and Victor Borden (IU)
Indiana Association of Institutional Research (INAIR) Conference – Indianapolis, IN
(March 8, 2013)

“*Giving by Faculty and Staff Across the Indiana University System*”
Co-presented with Genevieve Shaker (IUPUI) and Victor Borden (IU)
Indiana University Foundation, Special Presentation for IUF President and Executive Team –
Bloomington, IN (January 14, 2013)

“*Applying for Funding for Philanthropic Studies Ph.D. Students*”
Co-presented with Peter Weber
Philanthropic Studies Ph.D. Student Meeting, Indiana University Purdue University Indianapolis
(IUPUI) – Indianapolis, IN (December 4, 2012)

“*The Ford Family, Ford Foundation, and Edison Institute: A Case Study of Emerging
Philanthropic Strategy, 1929-1951*”
Paper presented as part of “The Formative Phase of Three Key Funders of the Non-Profit Sector:
American City Bureau, Indianapolis Foundation, and Ford Foundation,”
Panel Session co-presented with Marc Hardy (University of Notre Dame) and Kathi Badertscher
(IUPUI)
Association for Research on Nonprofits and Voluntary Action (ARNOVA) Conference –
Indianapolis, IN (November 15, 2012)

“*Giving by Faculty and Staff Across the Indiana University System*”
Panel Session co-presented with Genevieve Shaker (IUPUI) and Victor Borden (IU)
Association for Research on Nonprofits and Voluntary Action (ARNOVA) Conference –
Indianapolis, IN (November 15, 2012)

“*Focusing Blurred Lines: Trends in Corporate Philanthropy and Sponsorship*”
Panel Session co-presented with Jenny Burch (Children’s Museum of Indianapolis), Charlie
Levine (Science Museum of Minnesota), Glyn Northington (Target Corporation), and Christine
Shearer (Canton Museum of Art)
American Association of Museums’ Annual Meeting and MuseumExpo – Minneapolis, MN
(April 30, 2012)

“Telling the Conner Prairie Story Through Fundraising: Best Practices and Strategie,”
Workshop co-presented with Gene Tempel on behalf of the Indiana University Foundation,
Conner Prairie Interactive History Park – Fishers, IN (September 19, 2011)

“Making Grant Decisions” Guest Lecture for Undergraduates on Nonprofit Leadership
School of Public Affairs and Administration, Western Michigan University – Kalamazoo, MI
(March 15, 2011)

“A Mechanism of Museum-Building Philanthropy, 1925-1970,” Master’s Thesis Defense
Department of History and Center on Philanthropy, IUPUI – Indianapolis, IN (June 21, 2010)

“Behind the Plexi-glass Partitions: An Intern’s Perspective of American Museums”
Honors Thesis Academic Presentation
Lee Honors College, Western Michigan University – Kalamazoo, MI (November 26, 2007)

“Make a Joyful Noise: Singing, Dancing, and the Music of Deerfield”
Historic Deerfield Summer Fellowship Program Academic Presentation
Historic Deerfield, Inc., Deerfield, MA (August 3, 2007)

Exhibits:

Curious Scientific Investigators (CSI): Flight Adventures
NASA Grant Initiative, Activities, and Multimedia Show
Children’s Museum of Indianapolis, Indianapolis, IN (August 2010-April 2011)

1859 Balloon Voyage Exhibit
Conner Prairie Interactive History Park, Fishers, IN (August 2008-May 2009)

Driving America Exhibit, Henry Ford Museum
The Henry Ford, Dearborn, MI (May 2008-August 2008)

Racing Exhibit, Henry Ford Museum –Forthcoming
The Henry Ford, Dearborn, MI (May 2008-August 2008)

Into the Woods: Crafting Early American Furniture Exhibit
Flynt Center of Early New England Life,
Historic Deerfield, Inc., Deerfield, MA (June 2007-August 2007)